

AGENDA
REDEVELOPMENT COMMISSION
McCloskey Conference Room
October 6, 2014
5:00 p.m.

- I. ROLL CALL**
- II. READING OF THE MINUTES** –September 8, 2014
- III. EXAMINATION OF CLAIMS** –September 12, 2014 for \$76,945.05 and September 26, 2014 for \$46,345.36
- IV. EXAMINATION OF PAYROLL REGISTERS**- September 5, 2014 for \$26,954.44 and September 19, 2014 for \$26,856.46
- V. REPORT OF OFFICERS AND COMMITTEES**
 - A. Director's Report**
- VI. UNFINISHED BUSINESS**
 - None.
- VII. NEW BUSINESS**
 - RESOLUTION 14-40:** Approval to amend the Rockport Road funding agreement.
 - RESOLUTION 14-41:** Approval of the RDC's Ground Lease with the Hilton Garden Inn.
- VIII. BUSINESS/GENERAL DISCUSSION**
 - A. CTP update**
- X. ADJOURNMENT**

THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, met on Monday September 8, 2014 at 5:00 p.m. in the Showers City Hall, McCloskey Conference Room, 401 North Morton Street, with David Walter presiding

I. Commissioners Present: Sue Sgambelluri, David Walter, John West and Elizabeth Kehoe

Commissioners Absent: Michael Gentile and Kelly Smith

Staff Present: Lisa Abbott, Marilyn Patterson, Dan Niederman, and Christina Finley

Other (s) Present: Danise Alano-Martin, Chris Wheeler, Thomas Cameron, Margie Rice
Jeff Underwood, Katie Birge, and Larry Jacobs

II. READING OF THE MINUTES –Elizabeth Kehoe suggested changing the first sentence under general discussion. The sentence now reads; Danise Alano-Martin stated Warehouse B deconstruction is nearly complete. Sue Sgambelluri made a motion to accept the minutes with amendments. John West seconded the motion. The board unanimously approved.

III. EXAMINATION OF CLAIMS –John West made a motion to accept the claims for August 15, 2014 for \$189,151.45 and August 29, 2014 for \$83,294.83. Elizabeth Kehoe seconded the motion. The board unanimously approved.

IV. EXAMINATION OF PAYROLL REGISTERS- Sue Sgambelluri made a motion to approve the payroll registers for August 8, 2014 for \$26,576.24 and August 22, 2014 for \$27,345.83. John West seconded the motion. The board unanimously approved.

V. REPORT OF OFFICERS AND COMMITTEES

A. Director's Report. The Director's report and TIF Project Status report was included in the commission packet. Lisa Abbott introduced the new City Controller, Jeff Underwood and the two new City Legal attorneys; Chris Wheeler and Thomas Cameron.

VI. UNFINISHED BUSINESS

None.

VII. NEW BUSINESS

RESOLUTION 14-39: Approval to amend 2014 CDBG funding agreements. Marilyn Patterson stated we want to modify the funding agreements under Resolutions 14-25 to 14-33 to include the following language, which HUD requires to be included in our CDBG guidelines:

1. The Subgrantee must provide any information needed pursuant to these requirements. This includes entity information, the unique identifier of the Grantee, the unique identifier of the Grantee's parent if applicable, and relevant executive compensation data, if applicable. See subsection 3 below regarding executive compensation data).

(a) Data Universal Numbering System (DUNS): Pursuant to FFATA reporting requirements and in order to receive funding under this Agreement, the Subrecipient shall provide City with a valid Dun & Bradstreet (D&B) Data Universal Numbering System (DUNS) number that identifies the Grantee. A DUNS number may be requested online at <http://fedgov.dnb.com/webform>.

(b) System for Award Management (SAM): The Subrecipient shall register in the System for Award Management (SAM), which is the primary registrant database for the US Federal

Government, and shall enter any information required by FFATA into the SAM, update the information at least annually after the initial registration, and maintain its status in the SAM through the Term of this Agreement. Information regarding the process to register or update information in the SAM can be obtained at www.sam.gov.

- (c) Executive Compensation: The Subrecipient shall report the names and total compensation of the five (5) most highly compensated officers of the Grantee in SAM if the Grantee in the preceding fiscal year received eighty percent (80%) or more of its annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320) and \$25,000,000 or more in annual gross revenues from Federal contracts and federal financial assistance (as defined at 2 CFR 170.320); and if the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. The Grantee may certify that it received less than eighty percent (80%) of annual gross revenues from the federal government, received less than \$25,000,000 of its annual gross revenues from the federal government, already provides executive compensation to the Securities Exchange Commission, or meets the Internal Revenue Code exemption, and will not be required to submit executive compensation data into the SAM under FFATA, provided, that the Grantee shall still register and submit the other data requested
2. HAND will add the FFATA reporting requirements to its Comprehensive Annual Performance Evaluation Report (CAPER) checklist in order to meet the November 30th deadline. HAND's Comprehensive Annual Performance Evaluation Report is due to HUD no later than August 30th of each year. Please see checklist as Attachment C. The reports for the CAPER are completed by the program managers and reviewed by the director or assistant director prior to submission to HUD. The FFATA report will be initialed by the director or assistant director upon review.

Elizabeth Kehoe made a motion to approve Resolution 14-39. Sue Sgambelluri seconded the motion. The board unanimously approved.

VIII. BUSINESS/GENERAL DISCUSSION

A. HMAL budget increase for 1600 Willis Drive #60. This is a mobile home that needs to have a handicapped ramp installed. The project amount exceeds the \$3,500 limit under our Home Modification program guidelines (HMAI) for mobile homes. The ramp is going to be much more extensive than our regular ramps because of the configuration and location of this trailer. It also needs to meet ADA slope requirements. Bids came back at \$6,100. Abbott stated the \$3,500 limit is a HAND imposed guideline. John West asked if the owners could move the trailer after the ramp is built. Abbott stated it is very rare but they could move it. John West made a motion to accept the \$2,600 increase for the HMAI project at 1600 Willis Drive #60. Sue Sgambelluri seconded the motion. The board unanimously approved.

B. CTP update. Danise Alano-Martin invited the commission to attend an event hosted through the IU Alumni Association and Bloomington Technology Partnership for the tech sector in the Showers Administration Building. The event will be held September 18th from 9:30 a.m. to 10:30 a.m. The IU Alumni association is bringing in Tony Conrad. He is a Silicon Valley entrepreneur, venture capitalist, and a founding member of Word Press, among other companies. This is a great opportunity to showcase the tech park to the tech sector as well as to get some visibility from somebody who is nationally recognized in the tech industry.

The land acquisition of the vacant parking lot (intended for greenspace) may take the form of a land-for-land swap instead of a land-for-building swap. This is not imminent since the design of 10th Street will have to occur first in order to define the parcel borders for the land south of 10th Street (which is the likely land to be swapped). The legal department recommends that once the land area is known and appraised, then the RDC publicly offer the land south of 10th street for sale and specify that land in the CTP is acceptable compensation. Those are the steps we will be taking over the next few months.

We are also working on a development exercise. Lynn Coyne from the Bloomington Economic Development Corporation put together a mock development scenario and put it through the paces at City Hall. Katie Birge and Dana Palazzo of the BEDC also attended. Lisa Abbott, Planning, Utilities, ESD, and Mayor's Office staff participated in the exercise. Mr. Coyne provided two different scenarios: adding a three-story building onto the Kiln building while utilizing the Kiln and Mill as well, and a new construction project just north of the new 10th Street. Staff looked at planning and zoning site approval, historic preservation concerns, utility requirements, and Economic Development incentive processes. By the end of the day the team identified five different approval processes needed for either project. The exercise was fruitful in that many departmental staff are now more familiar with the CTP goals and possible development scenarios. Additionally, outcomes from the exercise will include example time frames for petitioners to go through all of the processes and a preview of policy issues that the Administration can work to navigate in advance of actual development proposals.

We sent out the RFQ for Landscape Architect and Engineering Services. This is to get consultants for the design of 10th Street and the north/south alleyway. The deadline for submissions is September 30. David Walter agreed to be on the review and selection panel.

Eagle Ridge Civil Engineering is working on the utility and drainage master planning. They just finished two weeks of follow-up meetings with all of the service utility providers. Staff also met with Eagle Ridge and Duke Energy to talk about what potential energy innovations and the steps we can incorporate. Hopefully by the end of the month we will be able to have an internal steering committee with Brock and his team so he can outline his draft plan and highlight any issue he wants our input on. [Note: this has been scheduled for October 6, 8:30am in McCloskey.]

Staff will circulate a draft of the redevelopment RFP as soon as it is in its final form. It is intended to be issued in October.

Other CTP updates: Upland has completed their upsizing of the water main. We are waiting on copies of invoices and receipts of payment so we can reimburse them. The Brownfield Assessment Grant implementation continues, and initial Phase II investigations are nearly complete in the CTP. Staff attended the Citizens Academy and talked about our work to launch an innovation district in the Certified Tech Park.

X. ADJOURNMENT

The meeting adjourned at 6:00 p.m.

David Walter, President

Michael Gentile, Secretary

Date

Memo

To: Redevelopment Commission

From: Lisa Abbott, Director

Date: October 2, 2014

We continue to work on the Consolidated Plan. The community wide survey is out to 700 addresses. We have five focus groups scheduled for this month. They are:

- **Community Development** - Thursday, Oct. 2, at 7 p.m., First Christian Church Gathering Space, 205 E. Kirkwood Ave.
- **Affordable Housing** - Tuesday, Oct. 7, at 7 p.m., Banneker Community Center, 2nd Floor, 930 W. Seventh St.
- **Homelessness** - Thursday, Oct. 16, at 6 p.m., Monroe County Public Library Auditorium, 303 E. Kirkwood Ave.
- **Economic Development** - Monday, Oct. 20, at 7 p.m., Community Kitchen, 1515 S. Rogers St.
- **Social Services** - Monday, Oct. 27, at 7 p.m., Bloomington Housing Authority Community Room, 1007 N. Summit St.

If Danise doesn't use the October 21st meeting for CTP business, I would like for you to consider having a meeting on that date to do a key informant session for the Consolidated Plan.

Applications for the 2015-2016 Community Development Block Grant fiscal year are available on-line. We already hosted the informational session. The mandatory training session(s) are scheduled for October 16th or 20th. Agencies planning to apply must attend one of the sessions. The applications are due on December 5th. I will be asking for our RDC appointments to the Citizens Advisory Council. Please consider participating. We will need one appointment for Physical Improvements and one for Social Services.

We will be taking an update to Title 17 -- Unsafe Building Law to the Council at the end of October. This update is to bring our Title into compliance with changes in State law.

Upcoming activity:

- CDBG Letters of Intent due -- October 3rd
- Focus groups dates/times listed above
- R101 - Renting in Bloomington -- October 28, 29 & 30th
- CDBG applications due -- December 5th

TIF Project Status Report

As of 10/06/14

Adams Crossing TIF

Resolution #
10-11

Project Name
Twin Lakes/Weimer

The project is 50% designed and in the final stages of right-of-way acquisition for the sidepath. Project will be constructed in 2015.

Budgeted Amount	Expended	Remaining Balance
\$1,614,548.40	\$994,138.68	\$620,409.72

Estimated date of completion: 12/31/15

Downtown TIF

Resolution #
11-28

Project Name
BCT Management

Buskirk-Chumley Management submits quarterly claims to capital and building related expenses.

Budgeted Amount	Expended	Remaining Balance
\$50,000.00	\$37,500.00	\$12,500.00

Estimated date of completion: 12/31/14

Resolution #
11-28

Project Name
BCT Maintenance

No new information at this time.

Budgeted Amount	Expended	Remaining Balance
\$24,000.00	\$15,410.06	\$8,589.94

Estimated date of completion: 12/31/14

Resolution #
11-40

Project Name
Dispatch Design

See Res 12-37 below.

Budgeted Amount	Expended	Remaining Balance
\$300,000.00	\$296,609.07	\$3,390.93

Estimated date of completion: See Res 12-37 below.

Resolution #	Project Name
12-37	Dispatch Construction

Final inspection was conducted today. Dispatch will be operational on August 18th.

Budgeted Amount	Expended	Remaining Balance
\$2,100,000.00	\$1,972,974.76	\$127,025.24

Estimated date of completion: 11/1/14

Resolution #	Project Name
14-15	CTP Maintenance

Funding from this Resolution is used to cover maintenance expenses for the 12 acres in the CTP. This includes utility, lawn maintenance, etc.

Budgeted Amount	Expended	Remaining Balance
\$50,000.00	\$16,105.86	\$33,894.14

Estimated date of completion: 12/31/14

Resolution #	Project Name
14-22	Waldron Plaza and Sidewalk Enhancements

This project was approved at the June RDC meeting. We are still working through the approval processes.

Budgeted Amount	Expended	Remaining Balance
\$40,000.00	\$0.00	\$40,000.00

Estimated date of completion: 12/31/15

Resolution #	Project Name
14-23	11th Street Waterline (Upland)

This project is basically complete. After review/acceptance by CBU, Upland will submit claims for reimbursement.

Budgeted Amount	Expended	Remaining Balance
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\$46,000.00	\$0.00	\$46,000.00
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Estimated date of completion: 11/1/14

Kinser-Prow TIF

All Kinser-Prow resolutions are closed.

Tapp Road TIF

Resolution #	Project Name
11-27	Wapehani

This project is on-hold for the I-69 project.

Budgeted Amount	Expended	Remaining Balance
\$30,000.00	\$21,555.06	\$8,444.94

Estimated date of completion: See project notes above.

Resolution #	Project Name
11-34	Tapp Road Phase III

Construction is complete. The Change Order is approved. Waiting on billing.

Budgeted Amount	Expended	Remaining Balance
\$2,750,000.00	\$2,592,792.18	\$157,207.82

Estimated date of completion: See project notes above.

Resolution #	Project Name
14-35	Tapp Road Phase III Change Order

See above.

Budgeted Amount	Expended	Remaining Balance
\$288,524.89	0	\$288,524.89

Estimated date of completion: See project notes above.

Thomson Walnut-Winslow TIF

Resolution #	Project Name
09-39	S. Rogers Streetscape Design

This will be closed out with the Rogers Street Construction project listed below.

Budgeted Amount	Expended	Remaining Balance
\$273,125.00	\$201,445.75	\$71,679.25

Estimated date of completion: See Res 10-31.

Resolution #	Project Name
10-31	S. Rogers Street Construction

This project is completed. We are still receiving invoices for work completed.

Budgeted Amount	Expended	Remaining Balance
\$2,781,680.40	\$2,441,724.01	\$339,956.39

Estimated date of completion: 12/31/14

Resolution #	Project Name
12-31	Letter of Map Revision

Submitting to FEMA for final approval. FEMA has 90 days to approve. Public comment will be for an additional 90 days.

Budgeted Amount	Expended	Remaining Balance
\$28,000.00	\$27,342.00	\$658.00

Estimated date of completion: 2/28/15

Resolution #	Project Name
13-30	Triple C Purchase

Purchase of 6.79 acres for the Switchyard Park. Master plan calls for this site to be used for green space, parking and main entrance to the park. No new information.

Budgeted Amount	Expended	Remaining Balance
\$1,406,250.00	\$999,473.54	\$406,776.46

Estimated date of completion: Upon completion of seller vacating the site.

Resolution #	Project Name
14-24	Black Lumber Trail Project

This Resolution was approved in July, 2014, to provide match to an INDOT contract for the construction of the Black Lumber Trail.

Budgeted Amount	Expended	Remaining Balance
\$117,717.00	\$0.00	\$117,717.00

Estimated date of completion: 12/31/16

Whitehall TIF

All Whitehall resolutions are closed.

Downtown Bond

Resolution #	Project Name
13-36	Alta Survey

Bledsoe Riggert Guerrettaz has submitted information for review.

Budgeted Amount	Expended	Remaining Balance
\$9,000.00	\$7,800.00	\$1,200.00

Estimated date of completion: 10/1/14

Resolution #	Project Name
13-39	CTP Legal Services

Bledsoe Riggert Guerrettaz has submitted information for review.

Budgeted Amount	Expended	Remaining Balance
\$23,000.00	\$8,766.92	\$14,233.08

Estimated date of completion: TBD

Resolution #	Project Name
14-05	601 N. Morton Offering

ESD met with the proposed buyer and continuing to work through proposal. Gordon is guiding ESD on next steps and provided recommendations. The cost associated with this resolution are for publication expenses.

Budgeted Amount	Expended	Remaining Balance
\$500.00	\$0.00	\$500.00

Estimated date of completion: Until building is sold

Resolution #
14-06

Project Name
Warehouse A & B soft costs

This is tied to the Resolutions for the deconstruction of Warehouse A & B. This includes final utility bills, power disconnection, etc.

Budgeted Amount	Expended	Remaining Balance
\$50,700.00	\$33,144.65	\$17,555.35

Estimated date of completion: 12/31/14

Resolution #
14-10

Project Name
Appraisals & Disposal Costs for CTP Properties

First Appraisal and Monroe/Owen Appraisal have been selected to prepare appraisals. One was submitted July 1.

Budgeted Amount	Expended	Remaining Balance
\$50,000.00	\$9,100.00	\$40,900.00

Estimated date of completion: 12/31/15

Resolution #
14-13

Project Name
Deconstruction of Warehouse A

Deconstruction is complete.
Seeding & straw will be completed next week.



Budgeted Amount	Expended	Remaining Balance
\$150,700.00	\$68,500.00	\$82,200.00

Estimated date of completion: 11/1/14

Resolution #
14-20

Project Name
CTP Phase I Program Management

Eagle Ridge (consultant) is compiling data. ESD will be meeting with them next week to talk about partnerships with utility providers.

Budgeted Amount	Expended	Remaining Balance
\$151,240.00	\$88,158.00	\$63,082.00

Estimated date of completion: 12/31/14



Board of Redevelopment Claim Register

Invoice Date Range 09/02/14 - 09/12/14

Vendor	Invoice No.	Invoice Description	Status	Held Reason	Invoice Date	Due Date	G/L Date	Received Date	Payment Date	Invoice Amount
Fund 101 - General Fund										
Department 15 - HAND										
Program 150500 - Housing										
Account 53960 - Grants										
242 - Ametyst House, INC	JHSSF	15-bathroom repairs	Paid by Check # 58300		09/02/2014	09/02/2014	09/12/2014		09/12/2014	2,073.03
2002 - Boys & Girls Club Of Bloomington	JHSSF-8/26/14	15-JHSSF-Program	Paid by EFT # 4285		09/02/2014	09/02/2014	09/12/2014		09/12/2014	4,283.24
3161 - New Hope Family Shelter, INC	July 14 Invoice	Director salary/benefits-15-JHSSF-July 2014	Paid by EFT # 4353		09/02/2014	09/02/2014	09/12/2014		09/12/2014	3,267.78
84 - Salvation Army	JHSSF-8/27/14	15-freezer, cart-wagon, monthly billing	Paid by Check # 58372		09/02/2014	09/02/2014	09/12/2014		09/12/2014	781.92
12443 - Volunteers In Medicine Clinic Of Monroe County INC	JHSSF-8/28/14	15-JHSSF-lancets, shelving unit	Paid by EFT # 4388		09/02/2014	09/02/2014	09/12/2014		09/12/2014	4,617.91
		mobile stands, vital								
				Account 53960 - Grants Totals				Invoice Transactions 5		\$15,023.88
				Program 150500 - Housing Totals				Invoice Transactions 5		\$15,023.88
Program 151000 - Neighborhood										
Account 52110 - Office Supplies										
9523 - Freedom Business Solutions, LLC	7418	15-toner cartridge-neighborhood	Paid by EFT # 4308		09/02/2014	09/02/2014	09/12/2014		09/12/2014	104.00
394 - Klendorfer Hardware & Variety	452475	15-batteries-neighborhood supplies	Paid by EFT # 4338		09/02/2014	09/02/2014	09/12/2014		09/12/2014	7.74
				Account 52110 - Office Supplies Totals				Invoice Transactions 2		\$111.74
Account 53960 - Grants										
54546 - Charles Y Coghlan, DMD (Office Easel)	49327A	15-white door knob bag, square inch plate	Paid by EFT # 4290		09/02/2014	09/02/2014	09/12/2014		09/12/2014	1,098.00
54546 - Charles Y Coghlan, DMD (Office Easel)	49326A	15-Welcome brochure-neighborhood support	Paid by EFT # 4290		09/02/2014	09/02/2014	09/12/2014		09/12/2014	700.00
				Account 53960 - Grants Totals				Invoice Transactions 2		\$1,798.00
				Program 151000 - Neighborhood Totals				Invoice Transactions 4		\$1,909.74
Program 152000 - Historic Preservation										
Account 53910 - Dues and Subscriptions										
4755 - National Trust For Historic Preservation	R9P184	15-membership renewal- N. Hiestand	Paid by Check # 58361		09/02/2014	09/02/2014	09/12/2014		09/12/2014	250.00
				Account 53910 - Dues and Subscriptions Totals				Invoice Transactions 1		\$250.00
				Program 152000 - Historic Preservation Totals				Invoice Transactions 1		\$250.00
				Department 15 - HAND Totals				Invoice Transactions 10		\$17,183.62
				Fund 101 - General Fund Totals				Invoice Transactions 10		\$17,183.62
Fund 254 - HOME										
Department 15 - HAND										
Program 150000 - Main										
Account 53990 - Other Services and Charges										
504 - Bloomington Housing Authority	June & July- TBRA 0689	15-tenant based rental assistance-TBRA Funds-15-Evergreen Maint-2105 Susie Street-8/4, 15-Evergreen Maint-Lots	Paid by Check # 5364		09/02/2014	09/02/2014	09/05/2014		09/12/2014	8,322.35
4483 - City Lawn Corporation	0689	2105 Susie Street-8/4, # 5365	Paid by Check # 5365		09/02/2014	09/02/2014	09/05/2014		09/12/2014	75.00
4483 - City Lawn Corporation	0685	15-Evergreen Maint-Lots	Paid by Check # 5365		09/02/2014	09/02/2014	09/05/2014		09/12/2014	90.00
		1 & 2-Mowed 8/4, 8/14, # 5365								
				Account 53990 - Other Services and Charges Totals				Invoice Transactions 3		\$8,487.35
				Program 150000 - Main Totals				Invoice Transactions 3		\$8,487.35

Fund 408 - Unsafe Housing				Department 15 - HAND Totals		Invoice Transactions 3		\$8,487.35
Department 15 - HAND				Fund 254 - HOME Totals		Invoice Transactions 3		\$8,487.35
Program 150000 - Main								
Account 53990 - Other Services and Charges								
18036 - 4 U Lawn and Landscape, LLC	1274	15-1209 W. 11th St- removal of	Paid by EFT # 4267	09/02/2014	09/12/2014	09/12/2014	90.00	
18036 - 4 U Lawn and Landscape, LLC	1271	15-4011 E. Stonegate- removal	Paid by EFT # 4267	09/02/2014	09/12/2014	09/12/2014	270.00	
18036 - 4 U Lawn and Landscape, LLC	1272	15-2611 Roundhill Ln- removal	Paid by EFT # 4267	09/02/2014	09/12/2014	09/12/2014	520.00	
18036 - 4 U Lawn and Landscape, LLC	1273	15-1405 S. Walnut- removal of	Paid by EFT # 4267	09/02/2014	09/12/2014	09/12/2014	50.00	
Account 53990 - Other Services and Charges Totals				Program 150000 - Main Totals		Invoice Transactions 4		\$930.00
Department 15 - HAND				Fund 408 - Unsafe Housing Totals		Invoice Transactions 4		\$930.00
Fund 440 - TIF-Downtown								
Department 15 - HAND								
Program 150000 - Main								
Account 53990 - Other Services and Charges								
4483 - City Lawn Corporation	8688	15-W. 11th/Rogers- mowing 8/4, 8/14 &	Paid by Check # 58320	09/02/2014	09/12/2014	09/12/2014	120.00	
4483 - City Lawn Corporation	8683	15-600 BL N. Rogers- mowing 8/4, 8/14 &	Paid by Check # 58320	09/02/2014	09/12/2014	09/12/2014	270.00	
4483 - City Lawn Corporation	8684	15-601 N> Morton- mowing 8/4, 8/14 &	Paid by Check # 58320	09/02/2014	09/12/2014	09/12/2014	75.00	
3663 - Parsons Brinckerhoff, INC	PB Inv#550708	15-payment prof serv Dispatch design	Paid by Check # 58364	09/02/2014	09/12/2014	09/12/2014	4,890.92	
Account 53990 - Other Services and Charges Totals				Program 150000 - Main Totals		Invoice Transactions 4		\$5,355.92
Department 15 - HAND				Fund 440 - TIF-Downtown Totals		Invoice Transactions 4		\$5,355.92
Fund 442 - TIF - Tapp Road								
Department 15 - HAND								
Program 150000 - Main								
Account 53990 - Other Services and Charges								
50637 - Bender Lumber Company, INC	1 2341254	15-Res 11-27-Wapehani- ready mix conc. treated	Paid by EFT # 4277	09/02/2014	09/03/2014	09/12/2014	96.21	
50637 - Bender Lumber Company, INC	1 2341154	15-Res 11-27-Wapehani- handyak, joist hanger,	Paid by EFT # 4277	09/02/2014	09/03/2014	09/12/2014	207.13	
818 - Everywhere Signs, LLC	46214	15-Res 11-27-Wapehani- "welcome to Wapehani"	Paid by EFT # 4303	09/02/2014	09/03/2014	09/12/2014	1,045.00	
818 - Everywhere Signs, LLC	46157	15-Res 11-27-Wapehani- "Welcome to Wapehani"	Paid by EFT # 4303	09/02/2014	09/03/2014	09/12/2014	65.00	
394 - Kleindorfer Hardware & Variety	410720	15-Res 11-27-Wapehani- concrete	Paid by EFT # 4338	09/02/2014	09/03/2014	09/12/2014	25.00	
394 - Kleindorfer Hardware & Variety	410794	15-Res 11-27-Wapehani- grade stakes, nuts,	Paid by EFT # 4338	09/02/2014	09/03/2014	09/12/2014	58.38	
394 - Kleindorfer Hardware & Variety	443820	15-Res 11-27-Wapehani- nails for boardwalk	Paid by EFT # 4338	09/02/2014	09/03/2014	09/12/2014	5.00	
4175 - The Stables Events, LLC (Jizzy's Rentals)	1642	15-Res 11-27, Wapehani-4 wk	Paid by EFT # 4381	09/02/2014	09/03/2014	09/12/2014	105.00	
Account 53990 - Other Services and Charges Totals				Program 150000 - Main Totals		Invoice Transactions 8		\$1,606.72
Department 15 - HAND				Fund 442 - TIF - Tapp Road Totals		Invoice Transactions 8		\$1,606.72
Account 53990 - Other Services and Charges						Invoice Transactions 8		\$1,606.72

15-Res 10-31-S. Rogers serv 7/1-7/31/14	Paid by EFT # 4271	09/02/2014	09/02/2014	09/12/2014	1,921.49
15-Res 10-31-S. Rogers St-cost change #1	Paid by Check # 58382	09/02/2014	09/02/2014	09/12/2014	24,543.96
Account 53990 - Other Services and Charges Totals					
Program 150000 - Main Totals					\$26,465.45
Department 15 - HAND Totals					\$26,465.45
Fund 448 - TIF - Thomson Walnut Winstow Totals					\$26,465.45
15-Res 14-20-CTP Master Plan/Inv					16,980.00
Paid by Check # 58375					
09/02/2014					
09/02/2014					
09/12/2014					

Account 53990 - Other Services and Charges Totals	Invoice Transactions 1	\$16,880.00
Program 150000 - Main Totals	Invoice Transactions 1	\$16,880.00
Department 15 - HAND Totals	Invoice Transactions 1	\$16,880.00
Fund 975 - Surplus CTP Bond Totals	Invoice Transactions 1	\$16,880.00
	Grand Totals	\$76,905.06

REGISTER OF SPECIAL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
8/26/2014	Sp Utility Cks				35.99
9/12/2014	Claims				76,909.06
					<u>76,945.05</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 76,945.05

Dated this ____ day of ____ year of 20 ____.

Michael C. ...

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF SPECIAL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
8/26/2014	Sp Utility Cks				35.99
9/12/2014	Claims				76,909.06
					76,945.05

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 76,945.05

Dated this ____ day of ____ year of 20 ____

[Signature]

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF SPECIAL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
8/28/2014	Sp Utility Cks				35.99
9/12/2014	Claims				76,909.06
					<u>76,945.05</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$76,945.05

Dated this 10 day of Sept year of 2014.

TEP

Elizabeth A. Kehoe

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-1-10-1.6.

Fiscal Officer _____



Board of Redevelopment Claim Register

Invoice Date Range 09/16/14 - 09/26/14

Vendor	Invoice No.	Invoice Description	Status	Held Reason	Invoice Date	Due Date	Q/L Date	Received Date	Payment Date	Invoice Amount
Fund 101 - General Fund										
Department 15 - HAND										
Program 150500 - Housing										
Account 53960 - Grants										
2002 - Boys & Girls Club Of Bloomington	Aug Invoices	15-JHSSF Grant for Boys & Girls Club	Paid by EFT # 4460		09/16/2014	09/16/2014	09/26/2014		09/26/2014	3,475.38
10372 - First Christian Church	F6233	15-JHSSF-Invoice from Goldy & Sons	Paid by Check # 58475		09/16/2014	09/16/2014	09/26/2014		09/26/2014	4,906.71
1021 - My Sister's Closet Of Monroe County, INC	Sept Invoices	15-JHSSF Funding Agreement - balance of 15-JHSSF Grant for New Hope Family Shelter Inc	Paid by EFT # 4532		09/16/2014	09/16/2014	09/26/2014		09/26/2014	1,621.43
3164 - New Hope Family Shelter, INC	Aug-Invoices	15-JHSSF Grant for New Hope Family Shelter Inc	Paid by EFT # 4535		09/16/2014	09/16/2014	09/26/2014		09/26/2014	4,244.29
84 - Salvation Army	Lowes-8/29/14	15-JHSSF-Lowes-dollie, ladder-remainder of	Paid by Check # 58527		09/16/2014	09/16/2014	09/26/2014		09/26/2014	151.67
1618 - Shalom Community Center, INC	July/Aug Invoice	15-JHSSF-July/August 2014 wages/benefits	Paid by Check # 58532		09/16/2014	09/16/2014	09/26/2014		09/26/2014	5,297.53
12443 - Volunteers In Medicine Clinic Of Monroe County, INC	9/308932	15-JHSSF-remaining 21 boxes/Air cartridges	Paid by EFT # 4577		09/16/2014	09/16/2014	09/26/2014		09/26/2014	2,850.41
Account 53960 - Grants Totals										\$22,350.42
Program 150500 - Housing Totals										\$22,350.42
Program 151000 - Neighborhood										
Account 53320 - Advertising										
323 - Hoosier Times, Inc	1724526-GEN	15-Running of August 20, 2014 Hearing	Paid by EFT # 4496		09/16/2014	09/16/2014	09/26/2014		09/26/2014	44.64
Account 53320 - Advertising Totals										\$44.64
Account 53960 - Grants										
4549 - Kroger Limited Partnership I	0714292043	06-Citizen's Academy	Paid by Check # 58501		09/16/2014	09/16/2014	09/26/2014		09/26/2014	38.91
4567 - Amber Kent	CleanUp	15-Invoices from Neighborhood Cleanup	Paid by EFT # 4444		09/16/2014	09/16/2014	09/26/2014		09/26/2014	329.90
3404 - J.R. Watkins & Family, INC (Signs Now)	18456	15-Prospect Hill-assoc. Signs-Small & Simple	Paid by EFT # 4508		09/16/2014	09/16/2014	09/26/2014		09/26/2014	120.00
Account 53960 - Grants Totals										\$488.81
Program 151000 - Neighborhood Totals										\$533.45
Program 152000 - Historic Preservation										
Account 53910 - Dues and Subscriptions										
598 - National Alliance Of Preservation Commissions	Hiland-Renewal	15-N. Hiland-membership renewal	Paid by Check # 58511		09/16/2014	09/16/2014	09/26/2014		09/26/2014	150.00
Account 53910 - Dues and Subscriptions Totals										\$150.00
Program 152000 - Historic Preservation										
Department 15 - HAND										
Fund 101 - General Fund										
Account 53910 - Dues and Subscriptions Totals										\$150.00
Program 152000 - Historic Preservation Totals										\$23,033.87
Department 15 - HAND Totals										\$23,033.87
Fund 101 - General Fund Totals										\$23,033.87
Account 53990 - Other Services and Charges										
323 - Hoosier Times, Inc	1724526-CDBG	15-full run Caper report	Paid by EFT # 34		09/16/2014	09/16/2014	09/26/2014		09/26/2014	13.82
Account 53320 - Advertising Totals										\$13.82

47 - Community Kitchen Of Monroe County, INC.	Meals-August	15-CDBG-SS funding-meals for August 2014	Paid by Check # 10360	09/16/2014	09/26/2014	2,501.00
12129 - Stepping Stones, INC	payroll 8/1-8/31	15-CDBG-SS funding, payroll expenses 8/1-35	Paid by EFT # 35	09/16/2014	09/26/2014	3,339.00
		Account 53990 - Other Services and Charges Totals			Invoice Transactions 2	\$5,840.00
		Program 150000 - Main Totals			Invoice Transactions 3	\$5,853.82
		Department 15 - HAND Totals			Invoice Transactions 3	\$5,853.82
		Fund 250 - CDBG Totals			Invoice Transactions 3	\$5,853.82
Fund 254 - HOME						
Department 15 - HAND						
Program 150000 - Main						
Account 53990 - Other Services and Charges	2105Susie-Aug 14	15-2105 S. Susie-water/sewer bill August	Paid by Check # 5365	09/16/2014	09/26/2014	36.80
208 - City Of Bloomington Utilities	2105Susie-9/8/14	15-2105 Susie-elec bill 8/7-9/8/14	Paid by Check # 5367	09/16/2014	09/26/2014	9.40
223 - Duke Energy		Account 53990 - Other Services and Charges Totals			Invoice Transactions 2	\$48.20
		Program 150000 - Main Totals			Invoice Transactions 2	\$48.20
		Department 15 - HAND Totals			Invoice Transactions 2	\$48.20
		Fund 254 - HOME Totals			Invoice Transactions 2	\$48.20
Fund 256 - Special Grants						
Department 15 - HAND						
Program 150002 - Housing Counseling						
Account 53990 - Other Services and Charges	8699060	15-Housing Counseling Credit Services	Paid by EFT # 4479	09/16/2014	09/26/2014	28.16
4098 - Equifax Information Services, LLC		Account 53990 - Other Services and Charges Totals			Invoice Transactions 1	\$28.16
		Program 150002 - Housing Counseling Totals			Invoice Transactions 1	\$28.16
Program 150005 - Neighborhood Donations						
Account 53990 - Other Services and Charges	103163	15-index, binders, etc	Paid by EFT # 4523	09/16/2014	09/26/2014	107.10
383 - Maxwell's Office Supply		Account 53990 - Other Services and Charges Totals			Invoice Transactions 1	\$107.10
		Program 150005 - Neighborhood Donations Totals			Invoice Transactions 1	\$107.10
Program 150009 - 2002 Shelter Plus Care						
Account 53990 - Other Services and Charges	Sept 2014	Shelter Plus Care Grant	Paid by Check # 58452	09/16/2014	09/26/2014	3,315.00
421 - Centerstore		Account 53990 - Other Services and Charges Totals			Invoice Transactions 1	\$3,315.00
		Program 150009 - 2002 Shelter Plus Care Totals			Invoice Transactions 1	\$3,315.00
Program 150012 - Rental Assistance						
Account 53990 - Other Services and Charges	Arlington #601	15-Rent Deposit for Mary Skaggs-R101	Paid by Check # 58477	09/16/2014	09/26/2014	200.00
4758 - Click Arlington Park, LLC		15-Rent Deposit for Jamiee Baker -R101	Paid by Check # 58537	09/16/2014	09/26/2014	400.00
4801 - Small Town Properties, LLC	Baker-Rent	Account 53990 - Other Services and Charges Totals			Invoice Transactions 2	\$600.00
		Program 150012 - Rental Assistance Totals			Invoice Transactions 2	\$600.00
		Department 15 - HAND Totals			Invoice Transactions 5	\$4,050.26
		Fund 256 - Special Grants Totals			Invoice Transactions 5	\$4,050.26
Fund 408 - Unsafe Housing						
Department 15 - HAND						
Program 150000 - Main						
Account 53990 - Other Services and Charges	1277	15-1317 W. 6th-removal of brush & overgrowth	Paid by EFT # 4442	09/16/2014	09/26/2014	627.50
18036 - 4 U Lawn and Landscaping, LLC	1278	15-1825 S. Covey Lane-removal of brush &	Paid by EFT # 4442	09/16/2014	09/26/2014	310.00
18036 - 4 U Lawn and Landscaping, LLC						

Invoice Transactions 2	\$937.50
Invoice Transactions 2	\$937.50
Invoice Transactions 2	\$937.50
Invoice Transactions 2	\$937.50

Invoice Transactions 2	\$937.50
Invoice Transactions 2	\$937.50
Invoice Transactions 2	\$937.50
Invoice Transactions 2	\$937.50

Account 53990 - Other Services and Charges Totals
 Program 150000 - Main Totals
 Department 15 - HAND Totals
 Fund 408 - Unsafe Housing Totals

Fund 440 - TIF-Downtown

Department 15 - HAND

Program 150000 - Main

Account 53990 - Other Services and Charges

912 - Central Security Systems, INC

350622

15-601 N. Morton-Res

Paid by Check

58453

09/16/2014

09/16/2014

09/16/2014

09/26/2014

09/26/2014

105.00

208 - City Of Bloomington Utilities

315W11-AUG 14

14-15-com mon w/est-

Paid by Check

58450

09/16/2014

09/16/2014

09/16/2014

09/26/2014

62.28

208 - City Of Bloomington Utilities

601Morton-Aug

15-601 N. Morton-51655-

Paid by Check

58460

09/16/2014

09/16/2014

09/16/2014

09/26/2014

42.23

Account 53990 - Other Services and Charges Totals

Program 150000 - Main Totals

Department 15 - HAND Totals

Fund 440 - TIF-Downtown Totals

Invoice Transactions 3	\$209.51
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Invoice Transactions 3	\$209.51
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Invoice Transactions 3	\$209.51
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Invoice Transactions 3	\$209.51
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Fund 445 - TIF - Adams

Department 15 - HAND

Program 150000 - Main

Account 53990 - Other Services and Charges

3626 - United Consulting Engineers, Inc

12405-17

15-2nd & Weimer

Paid by Check

58553

09/16/2014

09/16/2014

09/26/2014

3,283.20

Account 53990 - Other Services and Charges Totals

Program 150000 - Main Totals

Department 15 - HAND Totals

Fund 445 - TIF - Adams Totals

Invoice Transactions 1	\$3,283.20
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Invoice Transactions 1	\$3,283.20
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Invoice Transactions 1	\$3,283.20
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Invoice Transactions 1	\$3,283.20
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Fund 975 - Surplus CTP Bond

Department 15 - HAND

Program 150000 - Main

Account 53990 - Other Services and Charges

330 - Ice Miller

1329882

15-CTP Legal-services

Paid by Check

58486

09/16/2014

09/16/2014

09/26/2014

8,766.92

Account 53990 - Other Services and Charges Totals

Program 150000 - Main Totals

Department 15 - HAND Totals

Fund 975 - Surplus CTP Bond Totals

Invoice Transactions 1	\$8,766.92
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Invoice Transactions 1	\$8,766.92
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Invoice Transactions 1	\$8,766.92
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Invoice Transactions 1	\$8,766.92
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Invoice Transactions 1	\$8,766.92
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REGISTER OF SPECIAL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
9/10/2014	Sp Utility Cks				162.08
9/26/2014	Claims				46,183.28
					<u>46,345.36</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 46,345.36

Dated this _____ day of _____ year of 20____.

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF SPECIAL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
8/10/2014	Sp Utility Cks				162.08
9/26/2014	Claims				46,183.28
					<u>46,345.36</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$46,345.36

Dated this 22 day of Sept year of 20 14.

EDR

Elizabeth Kehwe

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF SPECIAL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
9/10/2014	Sp Utility Cks				162.08
9/26/2014	Claims				46,183.28
					<u>46,345.36</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 46,345.36

Dated this _____ day of _____ year of 20_____.

Michael Crowell

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF SPECIAL CLAIMS

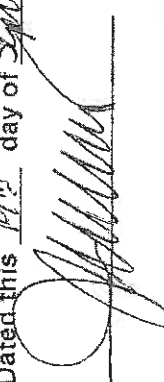
Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
9/10/2014	Sp Utility Cks				162.08
9/26/2014	Claims				46,183.28
					<u>46,345.36</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claims, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 46,345.36

Dated this 17th day of Sept year of 2014.



I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____



Payroll Register - Bloomington Redevelopment Commission

Check Date Range 09/05/14 - 09/05/14
Detail Listing

Employee	Check Date	Gross Income	Imputed Income	EIC	Federal	FICA	Medicare	State	Other	Deductions	Net Pay
Department HAND - Housing & Neighborhood Dev											
10000 Abbott, Lisa P	09/05/2014	3,136.66		.00	400.55	185.08	43.29	98.09	30.29	411.27	1,968.09
0782			.00	.00	2,885.11	2,985.11	2,985.11	2,885.11	2,885.11		
		\$3,136.66		\$0.00	\$400.55	\$185.08	\$43.29	\$98.09	\$30.29	\$411.27	\$1,968.09
			\$0.00	\$0.00	\$2,885.11	\$2,985.11	\$2,985.11	\$2,885.11	\$2,885.11		
10000 Arnold, Michael L	09/05/2014	1,665.60		.00	188.83	99.09	23.18	53.03	16.38	91.68	1,193.41
0051			.00	.00	1,598.30	1,598.30	1,598.30	1,598.30	1,598.30		
		\$1,665.60		\$0.00	\$188.83	\$99.09	\$23.18	\$53.03	\$16.38	\$91.68	\$1,193.41
			\$0.00	\$0.00	\$1,598.30	\$1,598.30	\$1,598.30	\$1,598.30	\$1,598.30		
10000 Bixler, Daniel R	09/05/2014	.00		.00	.00	.00	.00	.00	.00	.00	.00
2594			.00	.00	.00	.00	.00	.00	.00	.00	.00
		\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
782 Brewer, Joshua A	09/05/2014	162.50		.00	7.79	10.07	2.36	5.53	1.71	.00	135.04
			.00	.00	162.50	162.50	162.50	162.50	162.50		
		\$162.50		\$0.00	\$7.79	\$10.07	\$2.36	\$5.53	\$1.71	\$0.00	\$135.04
			\$0.00	\$0.00	\$162.50	\$162.50	\$162.50	\$162.50	\$162.50		
10000 Finley, Christina L	09/05/2014	1,396.35		.00	154.22	76.70	17.94	40.42	12.89	183.10	911.08
0187			.00	.00	1,227.15	1,237.15	1,237.15	1,227.15	1,227.15		
		\$1,396.35		\$0.00	\$154.22	\$76.70	\$17.94	\$40.42	\$12.89	\$183.10	\$911.08
			\$0.00	\$0.00	\$1,227.15	\$1,237.15	\$1,237.15	\$1,227.15	\$1,227.15		
307 Franklin, C. Jacob	09/05/2014	1,060.80		.00	121.44	62.54	14.63	34.29	10.59	55.79	761.52
			.00	.00	1,008.67	1,008.67	1,008.67	1,008.67	1,008.67		
		\$1,060.80		\$0.00	\$121.44	\$62.54	\$14.63	\$34.29	\$10.59	\$55.79	\$761.52
			\$0.00	\$0.00	\$1,008.67	\$1,008.67	\$1,008.67	\$1,008.67	\$1,008.67		
10000 Hewett, John H	09/05/2014	1,776.64		.00	202.12	97.31	22.75	51.66	15.95	296.45	1,090.40
0251			.00	.00	1,519.44	1,569.44	1,569.44	1,519.44	1,519.44		
		\$1,776.64		\$0.00	\$202.12	\$97.31	\$22.75	\$51.66	\$15.95	\$296.45	\$1,090.40
			\$0.00	\$0.00	\$1,519.44	\$1,569.44	\$1,569.44	\$1,519.44	\$1,519.44		



Payroll Register - Bloomington Redevelopment Commission

Check Date Range 09/05/14 - 09/05/14
Detail Listing

Employee	Check Date	Gross Income	Imputed Income	EIC	Federal	FICA	Medicare	State	Other	Deductions	Net Pay
Department HAND - Housing & Neighborhood Dev											
10000 Hiestand, Nancy A 0252	09/05/2014	1,811.07		.00	189.41	108.04	25.26	56.63	17.49	127.55	1,286.69
		\$1,811.07		.00	1,742.57	1,742.57	1,742.57	1,742.57	1,742.57		
			\$0.00	\$0.00	\$189.41	\$108.04	\$25.26	\$56.63	\$17.49	\$127.55	\$1,286.69
			\$0.00	\$0.00	\$1,742.57	\$1,742.57	\$1,742.57	\$1,742.57	\$1,742.57		
797 Hinnefeld, Kevin	09/05/2014	295.00		.00	7.00	18.29	4.28	8.72	2.69	.00	254.02
		\$295.00		.00	295.00	295.00	295.00	295.00	295.00		
			\$0.00	\$0.00	\$7.00	\$18.29	\$4.28	\$8.72	\$2.69	\$0.00	\$254.02
			\$0.00	\$0.00	\$295.00	\$295.00	\$295.00	\$295.00	\$295.00		
10000 McCormick, Maria 3616	09/05/2014	1,377.23		.00	34.57	76.04	17.78	41.70	12.88	166.47	1,027.79
		\$1,377.23		.00	1,226.43	1,226.43	1,226.43	1,226.43	1,226.43		
			\$0.00	\$0.00	\$34.57	\$76.04	\$17.78	\$41.70	\$12.88	\$166.47	\$1,027.79
			\$0.00	\$0.00	\$1,226.43	\$1,226.43	\$1,226.43	\$1,226.43	\$1,226.43		
10000 Mosier, Norman P 2962	09/05/2014	1,391.01		.00	170.84	82.96	19.40	45.49	14.05	74.86	983.41
		\$1,391.01		.00	1,337.96	1,337.96	1,337.96	1,337.96	1,337.96		
			\$0.00	\$0.00	\$170.84	\$82.96	\$19.40	\$45.49	\$14.05	\$74.86	\$983.41
			\$0.00	\$0.00	\$1,337.96	\$1,337.96	\$1,337.96	\$1,337.96	\$1,337.96		
689 Niederman, Daniel L	09/05/2014	1,692.31		.00	139.41	94.71	22.14	48.93	15.11	220.39	1,151.62
		\$1,692.31		.00	1,477.47	1,527.47	1,527.47	1,477.47	1,477.47		
			\$0.00	\$0.00	\$139.41	\$94.71	\$22.14	\$48.93	\$15.11	\$220.39	\$1,151.62
			\$0.00	\$0.00	\$1,477.47	\$1,527.47	\$1,527.47	\$1,477.47	\$1,477.47		
10000 Patterson, Marilyn 2071	09/05/2014	2,326.15		.00	348.34	139.77	32.69	71.55	22.10	268.05	1,443.65
		\$2,326.15		.00	2,104.33	2,254.33	2,254.33	2,104.33	2,104.33		
			\$0.00	\$0.00	\$348.34	\$139.77	\$32.69	\$71.55	\$22.10	\$268.05	\$1,443.65
			\$0.00	\$0.00	\$2,104.33	\$2,254.33	\$2,254.33	\$2,104.33	\$2,104.33		
10000 Provine, Vickie J 0394	09/05/2014	1,918.67		.00	276.71	112.70	26.36	61.81	19.09	117.48	1,304.52
		\$1,918.67		.00	1,817.81	1,817.81	1,817.81	1,817.81	1,817.81		
			\$0.00	\$0.00	\$276.71	\$112.70	\$26.36	\$61.81	\$19.09	\$117.48	\$1,304.52
			\$0.00	\$0.00	\$1,817.81	\$1,817.81	\$1,817.81	\$1,817.81	\$1,817.81		



Payroll Register - Bloomington Redevelopment Commission

Check Date Range 09/05/14 - 09/05/14
Detail Listing

Employee	Check Date	Gross Income	EIC	Federal	FICA	Medicare	State	Other	Deductions	Net Pay
Department HAND - Housing & Neighborhood Dev										
10000 Stong, Mary J 0471	09/05/2014	1,429.74	.00	167.64	83.18	19.46	44.77	13.82	179.14	921.73
		.00	.00	1,316.62	1,341.62	1,341.62	1,316.62	1,316.62		
		\$1,429.74	\$0.00	\$167.64	\$83.18	\$19.46	\$44.77	\$13.82	\$179.14	\$921.73
		\$0.00	\$0.00	\$1,316.62	\$1,341.62	\$1,341.62	\$1,316.62	\$1,316.62		
504 Swinney, Matthew P	09/05/2014	1,326.92	.00	127.75	82.55	19.31	43.96	13.58	8.52	1,031.25
		.00	.00	1,331.50	1,331.50	1,331.50	1,331.50	1,331.50		
		\$1,326.92	\$0.00	\$127.75	\$82.55	\$19.31	\$43.96	\$13.58	\$8.52	\$1,031.25
		\$0.00	\$0.00	\$1,331.50	\$1,331.50	\$1,331.50	\$1,331.50	\$1,331.50		
10000 Wills, Dee A 3418	09/05/2014	1,356.87	.00	166.15	81.64	19.09	44.43	13.72	68.67	963.17
		.00	.00	1,306.70	1,316.70	1,316.70	1,306.70	1,306.70		
		\$1,356.87	\$0.00	\$166.15	\$81.64	\$19.09	\$44.43	\$13.72	\$68.67	\$963.17
		\$0.00	\$0.00	\$1,306.70	\$1,316.70	\$1,316.70	\$1,306.70	\$1,306.70		
10000 Woolford, Robert T 0531	09/05/2014	1,842.92	.00	66.13	85.97	20.11	17.22	5.32	1,389.93	258.24
		.00	.00	506.59	1,386.59	1,386.59	506.59	506.59		
		\$1,842.92	\$0.00	\$66.13	\$85.97	\$20.11	\$17.22	\$5.32	\$1,389.93	\$258.24
		\$0.00	\$0.00	\$506.59	\$1,386.59	\$1,386.59	\$506.59	\$506.59		
728 Wright, Edward E	09/05/2014	988.00	.00	96.30	52.14	12.20	33.60	.00	157.33	636.43
		.00	.00	841.03	841.03	841.03	841.03	841.03		
		\$988.00	\$0.00	\$96.30	\$52.14	\$12.20	\$33.60	\$0.00	\$157.33	\$636.43
		\$0.00	\$0.00	\$841.03	\$841.03	\$841.03	\$841.03	\$841.03		
Department HAND - Housing &		\$26,954.44	\$0.00	\$2,865.20	\$1,548.78	\$362.23	\$801.83	\$237.66	\$3,816.68	\$17,322.06
		\$0.00	\$0.00	\$23,705.18	\$24,980.18	\$24,980.18	\$23,705.18	\$23,705.18		
Grand Totals		\$26,954.44	\$0.00	\$2,865.20	\$1,548.78	\$362.23	\$801.83	\$237.66	\$3,816.68	\$17,322.06
		\$0.00	\$0.00	\$23,705.18	\$24,980.18	\$24,980.18	\$23,705.18	\$23,705.18		

***** Multiple Taxes or Deductions Exist.

REGISTER OF PAYROLL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
9/5/2014	Payroll				26,954.44
					<u>26,954.44</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of 1 claim, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 26,954.44

Dated this _____ day of _____ year of 20____.

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____



Payroll Register - Bloomington Redevelopment Commission

Check Date Range 09/19/14 - 09/19/14
Detail Listing

Employee	Check Date	Gross	Imputed Income	EIC	Federal	FICA	Medicare	State	Other	Deductions	Net Pay
Department HAND - Housing & Neighborhood Dev											
10000 Abbott, Lisa P 0782	09/19/2014	3,136.67		.00	400.56	185.08	43.28	98.09	30.29	411.27	1,968.10
		\$3,136.67	.00	.00	2,885.12	2,985.12	2,985.12	2,885.12	2,885.12		
10000 Arnold, Michael L 0051	09/19/2014	1,665.60		.00	188.83	99.10	23.17	53.03	16.38	91.68	1,193.41
		\$1,665.60	.00	.00	1,598.30	1,598.30	1,598.30	1,598.30	1,598.30		
10000 Bixler, Daniel R 2594	09/19/2014	.00		.00	.00	.00	.00	.00	.00	.00	.00
		\$0.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
782 Brewer, Joshua A	09/19/2014	162.50		.00	7.79	10.08	2.35	5.53	1.71	.00	135.04
		\$162.50	.00	.00	162.50	162.50	162.50	162.50	162.50		
10000 Finley, Christina L 0187	09/19/2014	1,396.35		.00	154.22	76.70	17.94	40.42	12.89	183.10	911.08
		\$1,396.35	.00	.00	1,227.15	1,237.15	1,237.15	1,227.15	1,227.15		
307 Franklin, C. Jacob	09/19/2014	1,060.80		.00	121.44	62.53	14.62	34.29	10.59	55.79	761.54
		\$1,060.80	.00	.00	1,008.67	1,008.67	1,008.67	1,008.67	1,008.67		
10000 Hewett, John H 0251	09/19/2014	1,776.64		.00	202.12	97.30	22.76	51.66	15.95	296.45	1,090.40
		\$1,776.64	.00	.00	1,519.44	1,569.44	1,569.44	1,519.44	1,519.44		
		\$1,776.64	.00	.00	\$202.12	\$97.30	\$22.76	\$51.66	\$15.95	\$296.45	\$1,090.40



Payroll Register - Bloomington Redevelopment Commission

Check Date Range 09/19/14 - 09/19/14
Detail Listing

Employee	Check Date	Gross Income	Imputed Income	EIC	Federal	FICA	Medicare	State	Other	Deductions	Net Pay
Department HAND - Housing & Neighborhood Dev											
10000 Hiestand, Nancy A 0252	09/19/2014	1,811.07		.00	189.41	108.04	25.27	56.63	17.49	127.55	1,286.68
				.00	1,742.57	1,742.57	1,742.57	1,742.57	1,742.57		
		\$1,811.07	\$0.00	\$0.00	\$189.41	\$108.04	\$25.27	\$56.63	\$17.49	\$127.55	\$1,286.68
				\$0.00	\$1,742.57	\$1,742.57	\$1,742.57	\$1,742.57	\$1,742.57		
797 Hinnefeld, Kevin	09/19/2014	145.00		.00	.00	8.99	2.10	3.62	1.12	.00	129.17
				.00	145.00	145.00	145.00	145.00	145.00		
		\$145.00	\$0.00	\$0.00	\$0.00	\$8.99	\$2.10	\$3.62	\$1.12	\$0.00	\$129.17
				\$0.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00		
10000 McCormick, Maria 3616	09/19/2014	1,377.23		.00	34.57	76.04	17.78	41.70	12.88	166.47	1,027.79
				.00	1,226.43	1,226.43	1,226.43	1,226.43	1,226.43		
		\$1,377.23	\$0.00	\$0.00	\$34.57	\$76.04	\$17.78	\$41.70	\$12.88	\$166.47	\$1,027.79
				\$0.00	\$1,226.43	\$1,226.43	\$1,226.43	\$1,226.43	\$1,226.43		
10000 Mosier, Norman P 2962	09/19/2014	1,391.01		.00	170.84	82.95	19.40	45.49	14.05	74.86	983.42
				.00	1,337.96	1,337.96	1,337.96	1,337.96	1,337.96		
		\$1,391.01	\$0.00	\$0.00	\$170.84	\$82.95	\$19.40	\$45.49	\$14.05	\$74.86	\$983.42
				\$0.00	\$1,337.96	\$1,337.96	\$1,337.96	\$1,337.96	\$1,337.96		
689 Niederman, Daniel L	09/19/2014	1,692.31		.00	139.41	94.70	22.15	48.93	15.11	220.39	1,151.62
				.00	1,477.47	1,527.47	1,527.47	1,477.47	1,477.47		
		\$1,692.31	\$0.00	\$0.00	\$139.41	\$94.70	\$22.15	\$48.93	\$15.11	\$220.39	\$1,151.62
				\$0.00	\$1,477.47	\$1,527.47	\$1,527.47	\$1,477.47	\$1,477.47		
10000 Patterson, Marilyn 2071	09/19/2014	2,326.15		.00	348.34	139.77	32.68	71.55	22.10	268.05	1,443.66
				.00	2,104.33	2,254.33	2,254.33	2,104.33	2,104.33		
		\$2,326.15	\$0.00	\$0.00	\$348.34	\$139.77	\$32.68	\$71.55	\$22.10	\$268.05	\$1,443.66
				\$0.00	\$2,104.33	\$2,254.33	\$2,254.33	\$2,104.33	\$2,104.33		
10000 Provine, Vickie J 0394	09/19/2014	1,918.67		.00	276.71	112.71	26.36	61.81	19.09	117.48	1,304.51
				.00	1,817.81	1,817.81	1,817.81	1,817.81	1,817.81		
		\$1,918.67	\$0.00	\$0.00	\$276.71	\$112.71	\$26.36	\$61.81	\$19.09	\$117.48	\$1,304.51
				\$0.00	\$1,817.81	\$1,817.81	\$1,817.81	\$1,817.81	\$1,817.81		



Payroll Register - Bloomington Redevelopment Commission

Check Date Range 09/19/14 - 09/19/14
Detail Listing

Employee	Check Date	Gross Income	Imputed Income	EIC	Federal	FICA	Medicare	State	Other	Deductions	Net Pay
Department HAND - Housing & Neighborhood Dev											
10000 Stong, Mary J 0471	09/19/2014	1,429.74		.00	167.64	83.18	19.45	44.77	13.82	179.14	921.74
			.00	.00	1,316.62	1,341.62	1,341.62	1,316.62	1,316.62		
		\$1,429.74		\$0.00	\$167.64	\$83.18	\$19.45	\$44.77	\$13.82	\$179.14	\$921.74
			\$0.00	\$0.00	\$1,316.62	\$1,341.62	\$1,341.62	\$1,316.62	\$1,316.62		
504 Swinney, Matthew P	09/19/2014	1,326.92		.00	127.75	82.56	19.30	43.96	13.58	8.52	1,031.25
			.00	.00	1,331.50	1,331.50	1,331.50	1,331.50	1,331.50		
		\$1,326.92		\$0.00	\$127.75	\$82.56	\$19.30	\$43.96	\$13.58	\$8.52	\$1,031.25
			\$0.00	\$0.00	\$1,331.50	\$1,331.50	\$1,331.50	\$1,331.50	\$1,331.50		
10000 Willis, Dee A 3418	09/19/2014	1,356.88		.00	166.15	81.63	19.09	44.43	13.72	68.67	963.19
			.00	.00	1,306.71	1,316.71	1,316.71	1,306.71	1,306.71		
		\$1,356.88		\$0.00	\$166.15	\$81.63	\$19.09	\$44.43	\$13.72	\$68.67	\$963.19
			\$0.00	\$0.00	\$1,306.71	\$1,316.71	\$1,316.71	\$1,306.71	\$1,306.71		
10000 Woolford, Robert T 0531	09/19/2014	1,842.92		.00	66.13	85.97	20.10	17.22	5.32	1,389.93	258.25
			.00	.00	506.59	1,386.59	1,386.59	506.59	506.59		
		\$1,842.92		\$0.00	\$66.13	\$85.97	\$20.10	\$17.22	\$5.32	\$1,389.93	\$258.25
			\$0.00	\$0.00	\$506.59	\$1,386.59	\$1,386.59	\$506.59	\$506.59		
728 Wright, Edward E	09/19/2014	1,040.00		.00	104.10	55.37	12.95	35.36	.00	157.33	674.89
			.00	.00	893.03	893.03	893.03	893.03	893.03		
		\$1,040.00		\$0.00	\$104.10	\$55.37	\$12.95	\$35.36	\$0.00	\$157.33	\$674.89
			\$0.00	\$0.00	\$893.03	\$893.03	\$893.03	\$893.03	\$893.03		
Department HAND - Housing &											
		\$26,856.46		\$0.00	\$2,866.01	\$1,542.70	\$360.75	\$798.49	\$236.09	\$3,816.68	\$17,235.74
			\$0.00	\$0.00	\$23,607.20	\$24,882.20	\$24,882.20	\$23,607.20	\$23,607.20		
		\$26,856.46		\$0.00	\$2,866.01	\$1,542.70	\$360.75	\$798.49	\$236.09	\$3,816.68	\$17,235.74
			\$0.00	\$0.00	\$23,607.20	\$24,882.20	\$24,882.20	\$23,607.20	\$23,607.20		

***** Multiple Taxes or Deductions Exist.

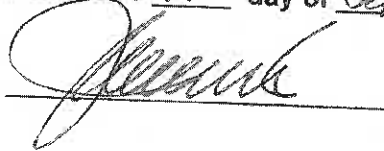
REGISTER OF PAYROLL CLAIMS
Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer
9/19/2014	Payroll			

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claim, and except for the claims not allowed as shown on the register, such claims are hereby allow total amount of \$ 26,856.46

Dated this 19th day of Sept year of 20 14.



I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF PAYROLL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
9/19/2014	Payroll				26,856.46
					<u>26,856.46</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of 1 claim, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$ 26,856.46

Dated this 22 day of Sept year of 2014.EBElizabeth Kehoe

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

REGISTER OF PAYROLL CLAIMS

Board: Redevelopment Claim Register

Date:	Type of Claim	FUND	Description	Bank Transfer	Amount
9/19/14	Payroll				26856.46
					<u>26856.46</u>

ALLOWANCE OF CLAIMS

We have examined the claims listed on the foregoing register of claims, consisting of claim, and except for the claims not allowed as shown on the register, such claims are hereby allowed in the total amount of \$26,856.46

Dated this _____ day of _____ year of 20_____.

Michael Gaudette

I hereby certify that each of the above listed voucher(s) or bill(s) is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Fiscal Office _____

14-40
RESOLUTION
OF THE
REDEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON, INDIANA

WHEREAS, funds are available under Community Development Block Grant funds (CFDA # 14.218) under Grant # B-14-MC-18-0013; and

WHEREAS, funds for the City of Bloomington's Planning and Transportation Department have been approved from said source, and

WHEREAS, the Redevelopment Commission is required, in accordance with the federal guidelines, to authorize the award of each contract and/or agreement, and

WHEREAS, a Physical Improvement Community Development Block Grant Agreement has been presented to the Redevelopment Commission for consideration, and

WHEREAS, said Agreement was considered and approved under Resolution 14-34, and

WHEREAS, restructuring of City Government and new language requirements from HUD have presented a need for the Agreement to be modified, and

WHEREAS, the Agreement, as modified has been duly considered,

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION THAT:

Resolution 14-34 is hereby vacated.

BE IT FURTHER RESOLVED BY THE REDEVELOPMENT COMMISSION THAT:

The Community Development Block Grant Agreement, as modified, between the Department of Housing and Neighborhood Development and Planning and Transportation Department for the construction of the Rockport Road Reconstruction Project is approved for an amount not to exceed \$384,934.00, and shall come from Community Development Block Grant Fund 250.

BLOOMINGTON REDEVELOPMENT COMMISSION

David Walter, President

ATTEST:

Michael Gentile, Secretary

Date

**PHYSICAL IMPROVEMENT
COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT
BETWEEN
CITY OF BLOOMINGTON'S
DEPARTMENT OF HOUSING AND NEIGHBORHOOD DEVELOPMENT
AND
CITY OF BLOOMINGTON'S
DEPARTMENT OF PLANNING AND TRANSPORTATION**

THIS AGREEMENT, entered into this ____ day of October, 2014, by and between the City of Bloomington's Department of Housing and Neighborhood Development ("Grantee") and City of Bloomington's Department of Planning and Transportation ("Subrecipient"), WITNESSETH:

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and,

WHEREAS, the Grantee, through its allocation process, has allocated Community Development Block Grant funds (CFDA # 14.218) under Grant # B14MC180013; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the Grantee and the Subrecipient that:

I. SCOPE OF SERVICE

A. Activity

The Subrecipient will be responsible for expending Program Year 2014 Community Development Block Grant (CDBG) funds to fund the implementation of the Rockport Road Reconstruction Project ("Project"), located approximately in between the 2300 block and 2600 block of Rockport Road ("Property"). The Project will lower the grade of the roadway to improve line of sight issues, improve stormwater drainage, install new curbs, sidewalks, pavement, landscaping and other miscellaneous items as required to complete the project. The scope of work also includes engineering fees, acquisition of necessary rights of way and associated costs pertaining to the acquisition of the rights of way including but not limited to; legal descriptions and deeds, appraisers, buyers, surveyors, recording fees, etc. The Subrecipient shall have the Project designed, bid, awarded and constructed in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds.

General Administration:

The Subrecipient will maintain project and financial records documenting the eligibility, provision of services, expenditures relative to the Project and program income (if applicable) and compliance with the National Objectives as defined herein.

Subrecipient agrees as follows:

1. To design the Project for bidding and construction.
2. To begin the project within 60 days of the execution of this funding agreement.
3. To bid the project following applicable CDBG procedures and requirements.
4. To inspect and monitor all construction activities for compliance.
5. To complete the Project as designed no later than May 31, 2015.

B. National Objectives

The Subrecipient hereby certifies that the activity carried out with funds provided under this Agreement will meet the CDBG program's National Objectives for an area benefit by serving low- and moderate-income persons – as defined in 24 CFR Part 570.208. The Grantee will verify that the service area complies with the National Objective prior to commencement of the Project.

C. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards required herein by HUD. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated. Substandard performance includes, but is not limited to, provision of inaccurate or incomplete statistics, claim forms, reports or other documentation to Grantee, failure to provide required documentation, or failure to submit required documentation in a timely manner. Non-compliance may require that unexpended funds be forfeited and expended funds be reimbursed to the Grantee for reallocation.

II. TERM OF AGREEMENT

A. Agreement

This agreement shall become effective on the date executed by the last of the parties and shall continue in effect until the project has been constructed in accordance with the design as approved by the Grantee.

B. Performance

The Subrecipient shall comply with the National Objectives, as stated in paragraph I. B. NATIONAL OBJECTIVES .

III. PAYMENT

It is expressly agreed and understood that the total amount of 2014 CDBG funds to be paid by the Grantee under this contract shall not exceed Three Hundred Thousand Dollars (\$ 384,934.00) unless mutually agreed to by both parties. Claims for payment shall be made on eligible expenses to ensure completion of the activity as described in I. SCOPE OF SERVICES and in accordance with performance.

IV. NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee:	Subrecipient:
Robert Woolford, Program Manager Housing and Neighborhood Development City of Bloomington P.O. Box 100 Bloomington, Indiana 47402 Tel: (812) 349-3401 Fax: (812) 349-3582	Tom Micuda Dept. of Planning and Transportation City of Bloomington P.O. Box 100 Bloomington, Indiana 47402 Tel: (812) 349-3417 Fax: (812) 349-3520

V. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) and all subsequent amendments thereto, which are incorporated herein by reference.

The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract.

The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the Subrecipient is an independent subrecipient.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this contract.

E. Grantor Recognition

The Subrecipient shall insure recognition of the role of the grantor agency in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications where the project is mentioned.

F. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

G. Suspension or Termination

The Grantee may suspend or terminate this Agreement, in whole or in part, if the Subrecipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the Grantee may declare the Subrecipient ineligible for any further participation in the Grantee's contracts, in addition to other remedies as provided by law. In the event there is probable cause to believe the Subrecipient is in noncompliance with any applicable rules or regulations, the Grantee may withhold up to fifteen (15%) percent of said contract funds until such time as the Subrecipient is found to be in compliance by the Grantee, or is otherwise adjudicated to be in compliance.

H. Reversion of Assets.

Upon expiration or termination of this agreement, any CDBG funds in the Subrecipient's possession and any accounts receivable attributed to the use of the CDBG funds shall revert to the Grantee's ownership and the Subrecipient shall take any necessary action to transfer ownership of said assets to Grantee. Any real estate acquired or improved using

CDBG funds shall be subject to the provisions of 24 CFR 570.505 for five years after grant close-out and the use or planned use of any such property may not be changed without following the requirements of that section.

VI. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR Part 570.502, and OMB Circular A-110;
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570; and,
- h. All applicable uniform administrative requirements.

2. Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this contract for a period of four (4) years after expiration of this Agreement. If there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, description of services provided and any other client or performance measurements as required by the City of Bloomington or HUD. Such information shall be made available to Grantee's monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-Outs

The Subrecipient shall cooperate with Grantee during the close-out period to ensure that all close-out activities are properly completed. Activities during this close-out period shall include, but are not limited to:
continual compliance with the National Objectives as stated in the Scope of Services,

- making final payments;
- disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee); and,
- determining the custodianship of records.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the Grantee or grantor agency deems necessary, to audit, examine, and make excerpts

or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and, as applicable, OMB Circular A-133.

C. Reporting and Payment Procedures

1. Reporting

- i. The Subrecipient must provide any information needed pursuant to these requirements. This includes entity information, the unique identifier of the Grantee, the unique identifier of the Grantee's parent if applicable, and relevant executive compensation data, if applicable. (See subsection iii below regarding executive compensation data).
- i. Data Universal Numbering System (DUNS): Pursuant to FFATA reporting requirements and in order to receive funding under this Agreement, the Subrecipient shall provide City with a valid Dun & Bradstreet (D&B) Data Universal Numbering System (DUNS) number that identifies the Grantee. A DUNS number may be requested online at <http://fedgov.dnb.com/webform>.
- ii. System for Award Management (SAM): The Subrecipient shall register in the System for Award Management (SAM), which is the primary registrant database for the US Federal Government, and shall enter any information required by FFATA into the SAM, update the information at least annually after the initial registration, and maintain its status in the SAM through the Term of this Agreement. Information regarding the process to register or update information in the SAM can be obtained at www.sam.gov.
- iii. Executive Compensation Data: The Subrecipient shall report the names and total compensation of the five (5) most highly compensated officers of the Grantee in SAM if the Grantee in the preceding fiscal year received eighty percent (80%) or more of its annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320) and \$25,000,000 or more in annual gross revenues from Federal contracts and federal financial assistance (as defined at 2 CFR 170.320); and if the public does not have access to this

information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. The Grantee may certify that it received less than eighty percent (80%) of annual gross revenues from the federal government, received less than \$25,000,000 of its annual gross revenues from the federal government, already provides executive compensation to the Securities Exchange Commission, or meets the Internal Revenue Code exemption, and will not be required to submit executive compensation data into the SAM under FFATA, provided, that the Grantee shall still register and submit the other data requested

- ii. HAND will add the FFATA reporting requirements to its Comprehensive Annual Performance Evaluation Report (CAPER) checklist in order to meet the November 30th deadline. HAND's Comprehensive Annual Performance Evaluation Report is due to HUD no later than August 30th of each year. Please see checklist as Attachment C. The reports for the CAPER are completed by the program managers and reviewed by the director or assistant director prior to submission to HUD. The FFATA report will be initialed by the director or assistant director upon review.

2. Payment Procedures

The Subrecipient will submit to the Grantee claim vouchers pursuant to Grantee's claim procedures. Further, the Subrecipient will submit documentation satisfactory to the Grantee, at its sole discretion, showing the Subrecipient's expenditures and compliance with I. Scope of Service.

Payments for claims will be processed on the Grantee's claims schedule.

VII. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.

2. Nondiscrimination

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, sexual orientation, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Section 504

The Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this contract.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. EO/AA Statements

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

C. The Fair Housing Act (42 U.S.C. 3601-3620) (if applicable)

The Subrecipient shall comply with this Act and prohibit discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage

services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. Furthermore, the Subrecipient shall affirmatively promote fair housing and assist the Grantee in overcoming any impediments that have been identified in the Grantee's Analysis of Impediments to Fair Housing Choice.

D. Residential Lead-based Paint (if applicable)

1. Residential Lead-based Paint Poisoning Prevention Requirements

The Subrecipient shall comply with all applicable CDBG requirements for the Project, including but not limited to; HUD Rule, Fed. Reg. 24 CFR Part 35, EPA Rule Fed Reg. 40 CFR Part and IDEM Rule, 326 Indiana Administrative Code 23.

2. Prohibition Against the Use of Lead-based Paint

The Subrecipient hereby agrees that any contractors or subcontractors hired to perform work on the activities subject to this Agreement will not use or be permitted to use any lead-based paint on any applicable surfaces during the course of work. Exterior and/or interior paints, enamels and/or primers used on any surface of structure constructed or rehabilitated under this Agreement shall not contain more than six one-hundredths percent (.06%) lead by weight (calculated as lead metal) in the total nonvolatile content of liquid paints. All paints, enamels and/or primers shall be delivered to the work site in original unopened containers with manufacturing labels intact. Such paints, enamels and primers shall be subject to inspection and test by the City of Bloomington. In the event the City of Bloomington determines the need to test the lead content of any paint, enamel or product to be used in the Project, the Agency shall be liable for the cost of such a test. "Lead-based paint" means 1) any paint containing more than five-tenths of one per centum lead weight in the dried film of paint already applied or both; or 2) with respect to paint manufactured after June 22, 1977 "lead-based paint" means any paint containing more than six one-hundredths of one per centum lead by weight in the total non-volatile content of the paint or the equivalent measure of lead in the dried film of paint already applied.

E. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

F. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this contract, shall in any way or to any extent engage in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

3. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Subrecipient further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or subrecipients which are receiving funds under the CDBG Entitlement program.

4. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, it will complete and submit Standard Form-LLL,

"Disclosure Form to Report Lobbying," in accordance with its instructions.

- c. It will require that the language of paragraph (d) of this certificate be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and
- d. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

5. Religious Organization

The Subrecipient agrees that funds provided under this contract will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200(j).

VIII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

**HOUSING & NEIGHBORHOOD
DEVELOPMENT DEPARTMENT**

**DEPARTMENT OF PLANNING AND
TRANSPORTATION**

By:

By:

Lisa Abbott, Director

Tom Micuda, Director

14-41
RESOLUTION
OF THE
REDEVELOPMENT COMMISSION
OF
CITY OF BLOOMINGTON INDIANA ("RDC")

**TO AUTHORIZE AND EXECUTE AN ESTOPPEL CERTIFICATE
REGARDING LEASED PROPERTY**

WHEREAS, pursuant to Indiana Code § 36-7-14 et seq., the Redevelopment Commission of the City of Bloomington ("RDC") and the Common Council of the City of Bloomington created an economic development area known as the "Downtown Economic Development Area"; and,

WHEREAS, since the Downtown Economic Development Area was created, the Downtown Economic Development Area has been expanded; and,

WHEREAS, pursuant to Indiana Code § 36-7-14-2.5, the assessment, planning, replanning, remediation, development, and redevelopment of economic development areas are public and governmental functions to be undertaken by the RDC; and,

WHEREAS, the RDC is the fee owner of real property—including the land on which the Bloomington Hilton Garden Inn ("Hotel") is located—located within the Downtown Economic Development Area, and is a party to a *Hotel Land Ground Lease* ("Ground Lease"), details of which are more particularly described in the attached documents collectively described as "Exhibit 1" and incorporated herein; and,

WHEREAS, RLJ II – HG Bloomington Lessee, LLC ("Lessee"), by way of a previously executed assignment, is the current lessee of the Hotel and has a property interest in the Ground Lease; and,

WHEREAS, Lessee has applied for and intends to make a loan with Wells Fargo, a financial institution, and such loan shall be secured by Lessee's leasehold estate in the Property; however, such loan is contingent upon the successful completion of the attached *Hotel Land Ground Lease and Agreement to Lease Parking Spaces Estoppel Certificate* ("Estoppel Certificate"), an unexecuted copy of which is attached hereto and incorporated herein as "Exhibit 2"; and,

WHEREAS, the RDC desires to approve and execute the Estoppel Certificate in order to allow Lessee to obtain the desired loan with Wells Fargo.

**NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT
COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA, THAT:**

The Redevelopment Commission of the City of Bloomington, Indiana finds the attached *Hotel Land Ground Lease and Agreement to Lease Parking Spaces Estoppel Certificate* sufficient in form and content and desires to approve and hereby orders the execution of the same in order to allow RLJ II – HG Bloomington Lessee, LLC (“Lessee”) the ability to secure a loan secured by Lessee’s leasehold interest in the real property described herein.

BLOOMINGTON REDEVELOPMENT COMMISSION

David Walter, President

Michael Gentile, Secretary

Date

2009000814 ASGN \$33.00
01/21/2009 01:16:49P 10 PGS

Monroe County Recorder IN
Recorded as Presented

PREPARED BY:

Recording requested by ~~and when recorded mail to:~~

Arent Fox LLP

1050 Connecticut Avenue, N.W.

Washington, D.C. 20036

Attention: Gerard Leval, Esq.

WHEN RECORDED RETURN TO:
LANDAMERICA COMMERCIAL SERVICES
140 EAST WASHINGTON ST.
INDIANAPOLIS, IN. 46204
CASE NO. 08-003706

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

ASSIGNOR'S NAME AND ADDRESS:	ASSIGNEE'S NAME AND ADDRESS:
Bloomhotel, LLC c/o White Lodging Services Corporation 1000 East 80 th Place Suite 700 North Merrillville, IN 46410	RLJ II- HG Bloomington, LLC c/o RLJ Capital Partners II, LLC 3 Metro Center Suite 1000 Bethesda, MD 20814

ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES

THIS ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES ("Assignment") is made as of this 8th day of Jan., 2009, by and between Bloomhotel, LLC, an Indiana limited liability company ("Assignor"), and RLJ II - HG Bloomington, LLC, a Delaware limited liability company ("Assignee").

RECITALS

A. Assignor and RLJ Lodging Fund II Acquisitions, LLC ("Fund") are parties to that certain New Hotels Purchase and Sale Agreement ("Purchase Agreement"), dated as of March 16, 2006, for the improved real property commonly known as the Bloomington Hilton Garden, pursuant to which Assignor has agreed to convey to the Fund, among other things, its leasehold estate in the real property and the improvements located thereon ("Hotel Property"), as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with Assignor's leasehold interest in the parking spaces listed on Exhibit B attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement, hereinafter defined) (collectively, "Parking Space Property"), which Parking Space Property is located in the garage located on the property more particularly described on Exhibit C attached hereto and incorporated herein by this reference ("Parking Garage Property"). The Hotel Property and the Parking Space Property are collectively referred to herein as "Ground Lease Property";

B. The Fund assigned its rights and obligations under the Purchase Agreement to acquire the Ground Lease Property to Assignee pursuant to that certain Assignment and Assumption of Rights to Purchase Real Property, dated as of January 7, 2009;

C. Assignor is the current lessee under that certain Hotel Land Ground Lease, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, Redevelopment Commission, as lessor ("Ground Lease"), a memorandum of which Ground Lease is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026242 and incorporated herein by this reference;

D. Assignor is the current lessee under that certain Agreement to Lease Parking Spaces, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, as lessor ("Parking Agreement"), a memorandum of which Parking Agreement is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026244 and incorporated herein by this reference. The Parking Agreement and the Ground Lease are hereinafter collectively referred to as the "Ground Lease Documents"; and

E. Assignor desires to assign, transfer, sell, convey, grant and deliver all of its right, title and interest in and to the Ground Lease Documents to Assignee in connection with the consummation of the purchase and sale of the Ground Lease Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Recitals. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. Effective Date. The "Effective Date" is defined to be the date hereof.
3. Assignment. Effective on the Effective Date, Assignor hereby assigns, sells, transfers, grants, delivers and conveys to Assignee all of Assignor's right, title and interest as lessee in, to and under the Ground Lease Documents and the Ground Lease Property.
4. Acceptance. Effective on the Effective Date, Assignee hereby accepts said assignment, sale, transfer and conveyance and assumes and agrees to keep, perform and be bound by all of the terms, covenants, conditions and obligations which are required to be performed by Assignor under the Ground Lease Documents from and after the Effective Date.
5. Indemnification. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) arising under the Ground Lease Documents and resulting from any events or from any acts or omissions of Assignee relating to the Ground Lease Documents accruing from and after the Effective Date. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) resulting from any events or from any acts or omissions of Assignor relating to the Ground Lease Documents accruing prior to the Effective Date.

6. Modification. No modification, waiver, amendment, discharge or change of this Assignment shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and assigns.

8. Governing Law. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana.

9. Attorneys' Fees. Should any dispute occur between Assignor and Assignee, with respect to this Assignment or any document executed in connection herewith, which results in litigation, the losing party or parties shall pay the prevailing party or parties their respective reasonable attorneys' fees and costs at trial and upon any appeal.

10. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Assignment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC,
an Indiana limited liability company

By: REI Real Estate Services, LLC

By: Jeffrey S. Sporleder
Jeffrey S. Sporleder,
Chief Financial Officer

STATE OF INDIANA)
)
MARION COUNTY)

SS:

I, Betsy A. Wall, a Notary Public in and for the said jurisdiction, do hereby certify that Jeffrey S. Sporleder, of REI Real Estate Services, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 14th day of December, 2008.

Betsy A. Wall
Notary Public

My Commission Expires: 7-19-10

[NOTARIAL SEAL]

[Signature Pages Follow]


IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC
an Indiana limited liability company

By: BW Bloom, LLC

By: White Lodging Services Corporation,
Manager

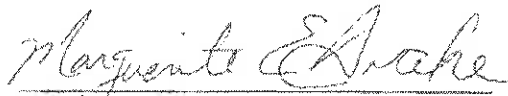
By: 
Lawrence E. Burnell,
Chief Operating Officer

STATE OF INDIANA)
) SS:
LAKE COUNTY)

I, Marguerite E. Drake, a Notary Public in and for the said jurisdiction, do hereby certify that Lawrence E. Burnell, of White Lodging Services Corporation, Manager of BW Bloom, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 22nd day of December, 2008.




Notary Public

My Commission Expires: February 26, 2009

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNEE:

RLJ II - HG BLOOMINGTON, LLC,
a Delaware limited liability company

By: 

Thomas J. Baltimore, Jr.
President

STATE OF MARYLAND)
) SS:
COUNTY OF MONTGOMERY)

I, Marc Moorman, a Notary Public in and for the said jurisdiction, do hereby certify that Thomas J. Baltimore, Jr., President of RLJ II - HG Bloomington, LLC, a Delaware limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of RLJ II - HG Bloomington, LLC.

Given under my hand and seal this 5th day of January, 2009.

[NOTARIAL SEAL]


Notary Public

My Commission Expires:

MARC MOORMAN
Notary Public
STATE OF MARYLAND
My Commission Expires 10-24-12

EXHIBIT A

Description of Hotel Property

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT B

List of Parking Spaces

1. 335
2. 336
3. 337
4. 338
5. 339
6. 340
7. 341
8. 342
9. 343
10. 344
11. 345
12. 346
13. 347
14. 348
15. 349
16. 350
17. 359
18. 360
19. 361
20. 362
21. 363
22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

EXHIBIT C

Description of Parking Garage Property

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.99 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 193.99 feet to the Point of Beginning, containing 0.557 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

In accordance with IC 36-2-11-15, I affirm, under penalty of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

M. Jay Yurow (by me)
Signature of Preparer

M. Jay Yurow
Printed Name of Preparer

HOTEL LAND GROUND LEASE

This Hotel Land Ground Lease (the "Lease") made and entered into this 2nd day of December, 2004, by and between The City of Bloomington, Indiana, Redevelopment Commission ("Lessor") and BLOOMHOTEL, LLC, a(n) Indiana limited liability company successors or assigns ("Lessee"), is a "Separate Lease" that: (a) derives exclusively from that certain Ground Lease by and between Lessor and Mercury Development, LLC, an Indiana limited liability company and successor in interest to Register Exchange, LLC ("Original Lessee"), dated January 31, 2003, as amended and modified by that certain Comprehensive Amendment to Ground Lease by and between Lessor and Original Lessee, dated December 2, 2004 (the "Original Lease"); (b) is being executed and delivered by Lessor and Lessee pursuant to, and in accordance with, the terms and conditions of Section 10.03 of the Original Lease; (c) applies only to the interests in the Original Lease and the "Leased Land" that have been assigned by Original Lessee to Lessee; and (d) restates and supersedes the Original Lease as it applied to such interests, the Hotel Land (as hereinafter defined) and the leasehold interest of Lessee in and to the Hotel Land.

ARTICLE 1

Demise of Hotel Land

Section 1.01. Lessor, for and in consideration of the rents, covenants and conditions herein contained to be kept, performed, and observed by Lessee, leases and demises to Lessee, and Lessee rents and accepts from Lessor, the real property located in Monroe County, Indiana, described in Exhibit "A" attached hereto (the "Hotel Land").

Section 1.02. Lessor represents and warrants that Lessor is now or shall be the owner in fee simple absolute of the Hotel Land subject only to the covenants, conditions, restrictions, easements and other matters of record. Lessor's title shall be evidenced by a Leasehold Title Insurance Policy (without the standard survey exception) in the amount of \$1,000,000, issued by an ALTA approved title insurance company which is acceptable to Lessee. The cost of the title insurance, except for the cost of curing any title defects, shall be borne by Lessee.

Section 1.03. Lessor covenants and agrees that Lessee, upon payment of the rent and other charges herein provided and upon observance and performance of the covenants, conditions and other terms of this Lease, shall peaceably hold and enjoy the Hotel Land for the term hereby demised without hindrance or interruption by Lessor or any other person or persons claiming under Lessor.

ARTICLE 2

Lease Term

Section 2.01. This original term of this Lease shall be for a term commencing on the date hereof and ending on the 30th day of January, 2053 (the "Initial Term"), unless sooner terminated at an earlier date as provided elsewhere in this Lease.

Section 2.02. The term of this Lease automatically shall be deemed to be extended for five (5) successive renewal terms of ten (10) years each (each such extension of the term being referred to as a "Renewal Term"), unless either: (a) at least thirty (30) days prior to the expiration of the Initial Term or the then-current Renewal Term, Lessee gives notice in writing to Lessor that the term of this Lease will not be renewed; or (b) at the expiration of the Initial Term or the then-current Renewal Term, there exists an Event of Default (as hereinafter defined) that has not been cured within the periods provided by Section 11.02 and Article 14; provided that all Renewal Terms shall be upon all the terms and conditions of this Lease.

Section 2.03. If Lessee holds over after the expiration of the Initial Term (or any Renewal Term), then such tenancy shall be from month to month upon all the terms and conditions of this Lease.

Section 2.04. Prior to Lessor tendering possession and control of the Hotel Land to Lessee on the commencement date of the Initial Term, Lessor shall be responsible for terminating all leases or other rights to possession or use of the Hotel Land. Lessor agrees to hold harmless, defend, and indemnify Lessee from all claims and liabilities that may be asserted by third parties arising from the termination of any leases or other rights to possession or use.

ARTICLE 3 Consideration

Section 3.01 Lessee agrees to pay to Lessor without any prior demand therefore minimum rent for the Initial Term in the amount of Four Hundred Ninety Dollars (\$490.00) (the "Rental Payment"). The Rental Payment shall be made in ten (10) equal annual installments in the amount of Forty-Nine Dollars (\$49.00) each commencing on the twentieth (20th) anniversary of the date of this Lease and then continuing on the same date for each succeeding nine (9) years. Notwithstanding the foregoing, when the Original Lessee makes its rental payments under the Original Lease, Forty-Nine Dollars (\$49.00) of each such rental payment shall be credited and applied by Lessor as, and be deemed to be, payment by Lessee of a Rental Payment hereunder. In further consideration, Lessee covenants and agrees that it will construct upon the leased premises the improvements substantially as described on Exhibit "B" attached hereto (the "Improvements").

Section 3.02. The minimum rent for each of the Renewal Terms shall be the sum of One Dollar (\$1.00) per year, or a total of Ten Dollars (\$10.00), payable in advance on the first day of each Renewal Term.

ARTICLE 4 Taxes and Utilities

Section 4.01.

(a) During the Initial Term (and any Renewal Terms), Lessee agrees to pay all real and personal property taxes levied and assessed and which become due and payable upon: (1) the Hotel Land and all improvements constructed thereon by Lessee; and (2) the personal property used in connection with the improvements located on the Hotel Land. For the first calendar year of the Initial Term, Lessor shall pay all real estate and personal property taxes upon the Hotel Land, the improvements constructed thereon, and all personal property used in connection with the improvements which become due and payable during such calendar year. For the last calendar year of the Initial Term (or the last year of the final Renewal Term), Lessee shall pay all real and personal property taxes assessed upon the Hotel Land, the improvements constructed thereon, and the personal property used in connection with the improvements for such last calendar year as they become due and payable in the calendar year following termination or expiration of the Lease.

(b) In the event any special tax or assessment is levied or assessed on the Hotel Land which becomes due and payable during the Initial Term (or any Renewal Term), and the tax or assessment may be legally paid in installments, Lessee shall have the option to pay such tax or assessment in installments if all such installments are paid before expiration of the then existing term. Lessor agrees to execute or join with Lessee in the execution of any application or other instrument that may be necessary to permit the payment of such special tax or assessment in installments.

(c) Lessee shall have the right to contest the amount or validity of any such tax or assessment by appropriate legal proceedings. Lessor shall, upon request, join in any such proceedings if Lessee determines that it shall be necessary or convenient for Lessor to do so in order for Lessee to prosecute such proceedings properly. If Lessor is joined, Lessee agrees to pay all expenses incurred by Lessor's involvement in such proceedings including reasonable attorney's fees.

Section 4.02. Lessee shall pay or cause to be paid all charges, including connection fees, for water, heat, gas, electricity, sewers, and any and all other utilities used upon the Hotel Land throughout

the Initial Term (or any Renewal Term). Lessee shall be permitted to pay any connection or other fees due to the City of Bloomington Utilities Department ("CBU") related to initial construction of the improvements and their connection to the CBU water, wastewater, or storm water systems, on an "in-kind" basis by providing construction services for infrastructure improvements to be made in the vicinity of the project which are at least equal in value to the total fees which would otherwise have been paid by Lessee for the project.

ARTICLE 5 Use of Premises

Section 5.01. Lessee shall have the right to use the Hotel Land for the operation of any uses permitted by applicable zoning regulations after taking into account any applicable grandfather exemptions or variances. Lessor agrees that it will not initiate, consider, or approve any change in zoning of the Hotel Land during the Initial Term (or any Renewal Terms), without the prior written consent of Lessee, which consent Lessee shall be permitted to withhold in its sole discretion.

Section 5.02. As part of the Improvements constructed upon the Hotel Land, Lessee shall have the right to erect and maintain on the Hotel Land all signs that it deems appropriate to the conduct of its business so long as all such signs comply with the applicable building and zoning codes after taking into account any applicable grandfather exemptions or variances.

ARTICLE 6 Construction by Lessee

Section 6.01. Subject to the satisfaction of all contingencies contained in other provisions of this Lease, Lessee shall construct a hotel substantially as described on Exhibit "B", all of which have been reviewed and approved by Lessor; provided that:

- (a) The cost of any such construction, reconstruction, demolition, or of any change or alteration to the improvements shall be borne and paid for by Lessee.
- (b) Subject to the terms and conditions of Article 8, the Hotel Land shall at all times be kept free of mechanic's and materialman's liens by Lessee.
- (c) Lessor shall be notified at the time of commencement of the construction of the Improvements.
- (d) Lessor shall use its best efforts and assist Lessee in good faith to obtain any permits or approvals required from the City of Bloomington Stormwater Utility in connection with the construction of the Leased Land, including construction of the Improvements.

Section 6.02 As part of the consideration to Lessee for the execution of this Lease and in order to provide for the more orderly development of the Hotel Land:

- (a) It may be necessary, desirable, or required that street, water, sewer, drainage, gas, power line, and other easements, dedications, and similar rights be granted or dedicated, on or within portions of the Hotel Land so that Lessor shall, upon Lessee's advance written request, join with Lessee in executing and delivering such documents from time to time, and throughout the Initial Term (and any Renewal Terms), as may be appropriate, necessary, or required by the several governmental agencies, public utilities, and companies for the purpose of granting such easements and dedications.
- (b) If Lessee deems it necessary or appropriate to obtain use, zoning, or subdivision and plat approval and permits with respect to the Hotel Land or the Improvements, Lessor agrees, from time to time upon request by Lessee, to execute such documents, petitions, applications, and authorizations as may be appropriate or required for the purposes of obtaining conditional use permits, zoning and rezoning, tentative and final plat approval, and further for the purposes of annexation to, or the

ARTICLE 9
Condemnation

Section 9.01. If the Hotel Land, the Improvements, or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, then the interests of Lessor and Lessee in the award of consideration for such transfer and the effect of the taking of the transfer upon this Lease shall be as provided by this Article. Neither Lessor nor its affiliates, subsidiaries, or related entities shall, during the Initial Term (or any Renewal Terms), use the power of eminent domain to initiate the taking of the whole or any part of the Hotel Land.

Section 9.02. If the Hotel Land, the Improvements, or any part thereof are taken or so transferred, then this Lease and all the right, title, and interest thereunder shall cease on the date title to such land so taken or transferred vests in the condemning authority, and the proceeds of such condemnation shall be divided according to the apportionment between the Hotel Land and the Improvements made by the condemning authority; provided that Lessee shall be entitled to retain: (a) all proceeds apportioned and paid in connection with the Improvements; (b) during the Initial Term, all proceeds apportioned and paid in connection with the Hotel Land; and (c) after the Initial Term, a portion of the proceeds apportioned and paid in connection with the Hotel Land, which portion shall equal all such apportioned proceeds, multiplied by a fraction, the numerator of which is the total number of years in the current Renewal Term and all remaining Renewal Terms, and the denominator of which is fifty (50).

Section 9.03. If the taking or transfer is only a part of the Hotel Land leaving the remainder of the Improvements in such location, or in such form, shape, or reduced size as to be not effectively and practicably usable for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease and all right, title, and interest hereunder shall cease on the date title to the Hotel Land, Improvements, or the part thereof so taken or transferred vests in the condemning authority.

Section 9.04. If the taking or transfer is only a part of the Hotel Land, leaving the remainder of the Improvements in such location and in such form, shape, or size as to be used effectively and practicably for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease shall terminate and end as to the part of the Hotel Land so taken or transferred only.

Section 9.05. Lessor shall immediately notify Lessee upon receiving notice of the initiation of any condemnation or eminent domain proceeding involving the Hotel Land. Lessor appoints and authorizes Lessee as its agent and attorney in fact to represent the interests of Lessor and Lessee in any such condemnation or eminent domain proceeding.

Section 9.06. For purposes of this Article, the term "Improvements" shall mean the Improvements (as defined in Section 3.01) and any additions to, and/or reconstructions, replacements, remodelings, and/or alterations of, the Improvements.

ARTICLE 10
Assignment and Sublease

Section 10.01. Lessee shall have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor to any entity controlling, controlled by, or under common control with Lessee or White Lodging. Otherwise, Lessee shall not have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor, which approval shall not be withheld, conditioned, or delayed unreasonably. Any assignment of Lessee's entire interest in this Lease which is approved by Lessor (or which does not require Lessor's approval) will release Lessee from any liability hereunder; provided that the assignee executes and delivers an agreement assuming all of Lessee's obligations hereunder.

Section 10.02. Lessee shall have the right to assign a portion of Lessee's interests in this Lease, the Leased Land, and/or the Improvements (the "Partial Assignment") or to sublease all or any portion of

creation of, districts and governmental subdivisions; provided, first, that Lessor consents to and otherwise agrees to any such change, alteration or application.

Section 6.03. It is expressly understood and agreed that any and all Improvements, including the fixtures, machinery, and equipment of whatsoever nature at any time constructed, placed, or maintained upon any part of the Hotel Land by Lessee, shall be and remain property of Lessee so long as this Lease is in effect. Lessee shall have the right at any time during Lessee's lawful occupancy of the Hotel Land, or within a reasonable time thereafter, to remove any and all Improvements owned or placed by Lessee, or its sublessees or licensees, in, under, or upon, the Hotel Land, or acquired by Lessee, whether before or during the Initial Term (or any Renewal Terms), but Lessee shall not be obliged to do so. In the event this Lease is terminated for any reason, whether by expiration, operation of law or otherwise, all such Improvements shall become the property of Lessor, subject to all covenants, conditions, restrictions, easements, and leases previously consented to by Lessee.

Section 6.04. Lessor shall provide to Lessee, as quickly as reasonably possible after the execution of this Lease, complete originals or copies of all surveys of the Hotel Land in the possession or control of Lessor and all files, records, drawings, plans, specifications, utility information, and related documents and information with respect to the Hotel Land. Where available, Lessor shall provide the documents and information in both hard copy and electronic format. Lessor shall also authorize Bynum Fanyo & Associates, Inc., to release to Lessee all survey and other information in its possession concerning the Hotel Land.

Section 6.05. At the request of Lessee, Lessor shall apply for and obtain all permits, consents, or approvals that will be required in the event the Improvements to be constructed in accordance with this Lease will encroach upon adjacent property owned by Lessor.

Section 6.06. At the request of Lessee, Lessor shall apply for and obtain all permits, consents, or approvals that will be required in order to vacate any existing platted alleys running through the Hotel Land.

ARTICLE 7

Repairs and Restoration

Lessee, at Lessee's own cost and expense at all times during the term of this Lease, agrees to keep and maintain or cause to be kept and maintained, the Improvements in first-class state of appearance and repair, reasonable wear and tear excepted. Notwithstanding the foregoing, Lessee may from time to time engage in the remodeling and/or alteration of the Improvements; provided that it acts in a commercially reasonable manner.

ARTICLE 8

Mechanic's Liens

Section 8.01. Lessee shall not suffer or permit any mechanic's liens or any other liens to be filed against the fee of the Hotel Land, nor against Lessee's interest in the Hotel Land, nor any of the Improvements, by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee or anyone holding the Hotel Land or any part thereof through or under Lessee.

Section 8.02. If any such mechanic's liens or materialman's liens shall be recorded against the Hotel Land, or any Improvements, Lessee shall cause the same to be removed, or, and in the alternative, if Lessee in good faith desires to contest the same, Lessee shall be privileged to do so, but, in such case, Lessee hereby agrees to indemnify and save Lessor harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure upon said mechanic's liens, cause the same to be discharged and removed prior to the execution of such judgment.

the Leased Land and/or the Improvements without the prior written approval of Lessor; provided that no Partial Assignment or sublease shall release Lessee from any liability to Lessor, unless Lessor also executes and delivers an instrument which releases Lessee of any further liability to Lessor (the "Release Instrument"). Lessor shall not unreasonably or arbitrarily withhold or delay its consent to any requested assignment, and, when construction of the Improvements is completed, Lessor shall execute and deliver to Lessee a certificate of completion in recordable form.

Section 10.03. In conjunction with a Partial Assignment for which Lessor executes and delivers a Release Instrument, Lessor also shall execute such documents and instruments as are necessary or appropriate to facilitate the Partial Assignment and effect the release, including, without limitation, documents and instruments that sever this Lease into two separate ground leases (the "Separate Leases"): (a) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that have been assigned (the "Assigned Interests"); and (b) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that are being retained; in order to reflect that: (a) consistent with the terms and conditions of this Lease, there shall be two separate "Lessees" of equal status, the leasehold interests of which "Lessees" in and to separate portions of the Leased Land derive exclusively from this single original Lease; and (b) without the Separate Leases: (i) effecting the Partial Assignment and releasing Lessee from further liability to Lessor with respect to the Assigned Interests; and (ii) financing improvements to be constructed on the portioned of the Leased Land to which the Assigned Interests apply; will be impractical or impossible without Separate Leases and other Release Instruments.

ARTICLE 11

Default Provisions and Remedies

Section 11.01. Upon the default by Lessee of any of the terms or conditions of this Lease, which default is not cured within any applicable cure period, Lessor shall have the right, upon such notice, but subject to the terms and conditions of Article 14, to re-enter and re-let the Leased Land or parcels thereof from time to time, and such re-entry and/or re-letting shall not discharge Lessee from any liability or obligations hereunder, except that net rents collected as a result of such re-letting shall be accreted on Lessee's liability for the Rental Payments and other sums due under the terms of this Lease. Nothing herein, however, shall be construed to require Lessor to re-enter and re-let in such event, nor shall anything herein be construed to waive or postpone the right of Lessor to sue for the Rental Payments due, but on the contrary, Lessor shall have the right and option, at any time after such uncured default, to declare all Rental Payments or other sums payable or to be payable hereunder immediately due and payable, and is hereby given the right to sue for all Rental Payments and other sums rents due and payable at any time after such uncured default.

Section 11.02. The occurrence of any one of the following events shall be considered an "Event of Default":

(a) Failure to pay when due any one or more installments of the Rental Payments or any other sums due Lessor from Lessee within thirty (30) days after Lessee's receipt of written notice of nonpayment from Lessor.

(b) Default in performing any other of Lessee's obligations hereunder and failure to cure such default within sixty (60) days after written notice from Lessor; provided, however, that, if Lessee determines that the event of default cannot be cured within 60 days despite diligent effort, it shall notify Lessor in writing within twenty-one (21) days of receipt of the notice of default from Lessor. The notice from Lessee to Lessor shall include detailed plans and a schedule for curing the default as soon as reasonably possible using diligent effort. The time within which Lessee shall be permitted to cure the default shall be extended for so long as Lessee continues to pursue such cure in accordance with the plans and schedule provided to Lessor.

(c) Levy or execution or other legal process upon the Improvements, or upon the interest of Lessee in this Lease, unless such execution or other levy be discharged of record within sixty (60) days.

(d) The filing of a voluntary petition in bankruptcy by Lessee or the final adjudication of Lessee as a bankrupt.

(e) The making by Lessee of general assignment for the benefit of creditors, or the appointment of a receiver, whether in bankruptcy or otherwise, for all Lessee's property, including the Improvements, provided such appointment be not vacated or set aside within sixty (60) days.

(f) The approval of any plan of reorganization for Lessee which is not satisfactory to, or approved by, Lessor.

(g) The abandonment or vacation of the Improvements by Lessee for more than thirty (30) days; provided that Lessee shall not be deemed to have abandoned the Improvements when Lessee is engaged in construction, reconstruction, replacing, remodeling, or alteration of the Improvements.

Section 11.03. In the event of a default under this Lease by either party, the non-defaulting party shall be entitled to recover from the defaulting party, in addition to all other remedies which may be available under this Lease and under law or equity, the reasonable attorney fees and related costs incurred in the enforcement of this Lease.

ARTICLE 12

Expiration and Surrender

Section 12.01. This Lease will expire on the last day of the Initial Term (or the last Renewal Term) unless sooner terminated by the provisions of this Lease.

Section 12.02. Unless otherwise mutually agreed by the parties, within fifteen (15) days after expiration of the Initial Term (or the last Renewal Term), Lessee agrees to deliver possession of the Hotel Land to Lessor subject only to the terms, covenants, conditions, restrictions, easements, and other matters of record which were set forth in the Leasehold Title Insurance Policy identified in Section 1.02 of this Lease affecting the Leased Land.

ARTICLE 13

Insurance and Indemnification

Section 13.01. Lessee agrees to indemnify and hold Lessor and the Hotel Land free and harmless from any and all claims, liability, loss, damage or expenses (including reasonable attorney's fees) resulting from Lessee's occupation and use of the Hotel Land, including any claim, liability, loss or damage arising by reason of:

(a) The death or injury of any person or persons, including any person who is an agent or employee of Lessee, or by reason of the damage to or destruction of any property, including property owned by Lessee or any person who is an agent or employee of Lessee;

(b) Any work performed on the Hotel Land or materials furnished to the Hotel Land at the instance or request of Lessee or any agent or employee of Lessee; and

(c) Lessee's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on Lessor or the Hotel Land by any duly authorized governmental agency or political subdivision;

except for indemnity losses (as hereinafter defined) and any demands, suits, claims, actions or causes of action (including, without limitation, corrective, responsive, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto, which result or arise from an indemnity loss.

Section 13.02. Lessee shall, at its own cost and expense, secure and maintain during the Initial Term (and any Renewal Terms) a broad form comprehensive coverage policy of public liability insurance issued by an insurance company acceptable to Lessor, insuring Lessor against loss or liability caused by or connected with Lessee's occupation and use of the Hotel Land, in amounts not less than:

(a) \$1,000,000 for injury to, or death of, one person, and not less than \$2,000,000 for injury to, or death of, two or more persons as a result of any one accident or incident; and

(b) \$100,000 for damage to or destruction of any property of others.

Section 13.03. Lessee, at its sole cost and expense, shall keep the improvements insured during the Initial Term (and any Renewal Terms) against loss or damage by fire or earthquake, with replacement cost endorsement. Such replacement value shall be determined from time to time in accordance with the provisions of the policy.

Section 13.04. All insurance provided for in this Article shall be effected under valid and enforceable policies issued by insurers of recognized responsibility. Upon the execution of this Lease, and thereafter not less than fifteen (15) days prior to the expiration dates of the issued policies, proof of insurance together with other evidence adequately establishing the payment of premium for such policies shall be delivered by Lessee to Lessor. All policies of insurance shall name as insureds Lessor, Lessee, and any Mortgage Lender (as hereinafter defined), as their respective interests may appear. Each such policy or certificate issued by the insurer shall contain an agreement by the insurer that such policy shall not be canceled without at least ten (10) days' prior written notice to Lessor and any Mortgage Lender.

Section 13.05. Lessor and Lessee hereby expressly waive any and all claims against each other for loss or damage due to fire or the perils, risks, or hazards ordinarily insured against in a State of Indiana standard form of Fire Insurance Policy with Extended Coverage Endorsement and which are, in fact, covered by such insurance, regardless of the cause of such loss or damage, including, without limitation, loss or damage resulting from the negligence of the respective parties, their agents, servants, employees, invitees, licensees, concessionaires and subtenants.

Section 13.06. Lessor hereby agrees to indemnify, defend and hold Lessee harmless from and against all demands, suits, claims, actions or causes of action (including but not limited to corrective, response, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto (including but not limited to attorneys' fees, legal expenses, consultants' fees and court costs) (hereinafter collectively referred to as an "Indemnity Loss") asserted against, suffered, or incurred by Lessee as a direct or indirect result of:

(a) Pollutants, contaminants, hazardous or toxic materials, substances, or wastes generated, treated, stored, discharged, disposed of, injected, leaked, spilled or placed, released, or threatened to be released: (i) on or from the Hotel Land; (ii) as a result of the operations, acts, or omissions of Lessor or Lessor's predecessor's in interest; or (iii) as a result of the operations, acts, or omissions of any person, corporation, partnership, or other entity hired, employed, contracted, or retained by, or otherwise acting for or on behalf of, Lessor;

(b) Pollutants, contaminants, hazardous, or toxic materials, substances, or wastes that have migrated onto the Hotel Land from adjacent properties; or

(c) Any past, present or future failure or alleged failure of Lessor or Lessor's predecessors in title to comply with any applicable federal, state, local, or other laws, regulations, and court or administrative orders, including but not limited to environmental matters.

ARTICLE 14
Subordination

Section 14.01. Lessor agrees that Lessee shall have the unrestricted right to encumber at any time and from time to time the Lease, the Leasehold, the Improvements, the personal property of Lessee, and any interests therein or thereunder, including, without limitation, subleases and licenses, with mortgages, security interests, and/or assignments (the "Mortgages") granting mortgage liens, security interests, and/or assignments (the "Mortgage Liens") to secure indebtedness that at any time and from time to time may be extended to Lessee by its lenders (the "Mortgage Lenders"); provided that nothing contained in this Lease shall be construed as an agreement by Lessor to subordinate its fee simple interest in the Hotel Land to any Mortgage Lien.

Section 14.02. Upon the request of Lessee and/or any Mortgage Lender, Lessor shall evidence its assent to and confirm its agreement to a Mortgage Lien by executing and delivering such instruments as may be reasonably requested by Lessee and/or any Mortgage Lender.

Section 14.03. So long as any portion of the indebtedness secured by a Mortgage Lien is outstanding, Lessor shall not agree to any mutual termination nor accept any surrender of this Lease by Lessee or consent to any material amendment or modification of this Lease without the prior written consent of all Mortgage Lenders. Any termination, surrender, amendment, or modification in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.04. Notwithstanding any default by Lessee in the observance or performance of any covenant, condition, obligation, or agreement on the part of Lessee to be kept, performed, or observed, Lessor shall have no right to terminate the Leasehold or this Lease even though an Event of Default may have occurred and be continuing, unless and until Lessor shall have given all Mortgage Lenders written notice of such Event of Default, and the Mortgage Lenders shall have failed to cure such Event of Default or commence efforts to cure such Event of Default or acquire possession of the Hotel Land and/or the Improvements as provided in Sections 14.07 and 14.08. Any termination in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.05. Each Mortgage Lender shall have the right, but not the obligation, at any time prior to the termination of this Lease, and without payment of any penalty, to pay any of the rents due hereunder, to provide any insurance, to pay any taxes, to release any mechanic's liens, to make any repairs or improvements, and to make any other payments or do any other act or thing required to be paid or done by Lessee by the terms and conditions of this Lease. All payments so made and all things so done and performed by a Mortgage Lender shall be accepted by Lessor as effective to prevent a termination of this Lease and to cure an Event of Default as the same would have been if made, done, or performed by Lessee. After a termination of this Lease, the terms and conditions of Section 14.10 shall apply.

Section 14.06. If a Mortgage Successor (as hereinafter defined) takes possession of the Leasehold and/or the Improvements, then the Mortgage Successor's liability under and with respect to the Lease, the Leasehold, the Improvements, and any interests therein or thereunder shall be limited to: (a) the amounts due and payable to Lessor for the unexpired balance of the Initial Term (or any Renewal Terms); and (b) observance or performance of any obligation or agreement on the part of Lessee first arising after the Mortgage Successor takes possession. The term "Mortgage Successor" shall mean a Mortgage Lender, a receiver appointed at the request of a Mortgage Lender, a purchaser at a foreclosure sale, or a party to which the Leasehold is transferred by an assignment in lieu of foreclosure, and their successors and assigns.

Section 14.07. If any Event of Default occurs, then each Mortgage Lender shall have sixty (60) days (beginning after receipt of the notice from Lessor required by Section 14.04 and the expiration of the applicable period for Lessee to cure the Event of Default under Section 11.02) in which to cure the Event of Default. If a Mortgage Lender requires possession of the Hotel Land and/or the Improvements to cure the Event of Default, or if, by its nature, the Event of Default cannot reasonably be cured within such sixty

(60) day period, then the Mortgage Lenders shall have a reasonable time after the expiration of such sixty (60) day period within which to cure the Event of Default; provided that a Mortgage Lender cures within such sixty (60) day period all other Events of Default which can be cured solely by the payment of monies to Lessor.

Section 14.08. An Event of Default for which an extended cure period is permitted by the terms and conditions of Section 14.07 shall be deemed remedied so long as a Mortgage Lender is diligently proceeding to acquire possession of the Hotel Land and/or the Improvements from Lessee or foreclose its Mortgage Lien, and, after possession is obtained (directly by a Mortgage Lender or indirectly by a receiver appointed at the request of a Mortgage Lender) or the foreclosure is completed (by the Leasehold being purchased at a foreclosure sale or the Leasehold being transferred by an assignment in lieu of foreclosure), the Mortgage Successor shall have a reasonable period of time, but not less than ninety (90) days, to cure any remaining Events of Default.

Section 14.09. If a Mortgage Lender is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy, rehabilitation, or insolvency proceedings involving Lessee, the time for commencing or prosecuting foreclosure or other proceedings shall be extended by the period of such prohibition.

Section 14.10. If Lessor terminates this Lease by reason of any Event of Default, then, upon written request by a Mortgage Lender served upon Lessor within ninety (90) days after such termination, Lessor shall execute and deliver a new ground lease for the remainder of the Initial Term (and any Renewal Term) with the same terms, conditions, covenants, and agreements of this Lease, excepting that Lessor shall not be required to remove the lien of any lienholder whose interest in the Leasehold and/or the Improvements was created by the action or inaction of Lessee, and excepting further that the Mortgage Lender shall agree to take the improvements in their condition at the time, subject to the terms and conditions of Section 13.06.

Section 14.11. If a Mortgage Successor acquires possession of the Hotel Land and assumes the obligations of Lessee under this Lease, then, notwithstanding the provisions of Section 10.01, the Mortgage Successor shall be permitted to assign the entire interests of Lessee in this Lease and the Hotel Land to a third party without the consent of Lessor, however such an assignment shall not be permitted unless the Assignee is qualified to satisfy the obligations included in the terms of the ground lease, including but not limited to having experience in hotel management, having a franchise for a hotel operation, having adequate net worth to finance such an operation. Any such assignment shall release the Mortgage Successor from liability for the performance of the obligations of Lessee under this Lease.

Section 14.12. Lessor and Lessee shall cooperate in providing any additional amendment, instrument, or document reasonably required by a Mortgage Lender or which may otherwise be necessary or expedient to implement the provisions of this Article 14; provided that no such amendment, instrument, or document shall extend the term of this Lease beyond the Initial Term (and any Renewal Term) nor adversely affect Lessor's rights hereunder.

Section 14.13. Lessor shall mail a duplicate copy of any notice of an Event of Default by certified mail to each Mortgage Lender as provided in the other provisions of this Lease, and no notice by Lessor to Lessee shall be deemed to have been properly given unless and until a copy of the notice has been sent each Mortgage Lender.

Section 14.14. If the Improvements are damaged or destroyed by fire or other casualty, then the insurance proceeds shall be used to rebuild or replace the Improvements or applied as provided in the Mortgages. It shall not be an Event of Default under this Lease so long as Lessee is trying in good faith to repair or rebuild the damaged property.

ARTICLE 15

Miscellaneous

Section 15.01. All of the provisions of this Lease shall be deemed as running with the land and construed to be "conditions" as well as "covenants" as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 15.02. No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term, or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement, and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 15.03. Time is of the essence of this Lease and of each provision hereof. The time in which any act provided by this Lease to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday, or legal holiday, and then it is also excluded so that the last day is the next day following such Saturday, Sunday, or legal holiday.

Section 15.04. If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, walk-outs, labor troubles, inability to procure materials, restrictive governmental laws or regulations, or other cause, without fault beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this Section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee except as may be expressly provided elsewhere in this Lease.

Section 15.05. Each and all the covenants, conditions, and restrictions in this Lease shall inure to the benefit of, and shall be binding upon, the successors in interest of Lessor, and the assignees, transferees, subtenants, licensees, and other successors in interest of Lessee.

Section 15.06. This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party, which is not contained in this Lease shall be binding or valid.

Section 15.07. If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 15.08. Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or a partnership, joint venture, or any association between Lessor and Lessee, and neither the provisions contained in this Lease, nor any acts of the parties shall be deemed to create any relationship between Lessor and Lessee, other than the relationship of lessor and lessee.

Section 15.09.

(a) The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Lessor or Lessee.

(b) Unless otherwise provided in this Lease or unless the context otherwise requires, the following definitions and rules of construction shall apply to this Lease:

(i) In this Lease, the neuter gender includes the feminine and masculine, and the singular number includes the plural, and the word "person" or "entity" includes a corporation, partnership, limited liability company, firm, or association wherever the context so requires.

(ii) "Shall," "will," and "agrees" are mandatory; and "may" is permissive.

(iii) Captions of the articles, sections, and paragraphs of this Lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Lease.

(iv) Except as otherwise provided, all references to the term of this Lease or to the lease term shall include any Renewal Terms.

Section 15.10. Any sum accruing to Lessor under the provisions of this Lease which shall not be paid when due shall bear interest at the prevailing prime rate as published in the Wall Street Journal on the last publication date immediately preceding the date of accrual.

Section 15.11. This Lease is not subject to amendment or modification except in writing.

Section 15.12.

(a) All rents or other sums, notices, demands, or requests from one party to another may be personally delivered or sent by mail, certified or registered, postage pre-paid, to the addresses stated in this section.

(b) All notices, demands, or requests from Lessee to Lessor shall be given to Lessor at City of Bloomington Redevelopment Commission, P.O. Box 100, Bloomington, Indiana 47402.

(c) All notices, demands, or requests from Lessor to Lessee shall be given to Lessee at 11711 North Pennsylvania Street, Suite 200, Carmel, Indiana 46032, Attention: Michael W. Wells

(d) A copy of all notices, demands, or requests from Lessor to Lessee shall be given to Karl P. Haas, Esq., Wallack Somors & Haas, One Indiana Square, Suite 1500, Indianapolis, Indiana 46204.

(e) Each party shall have the right, from time to time, to designate a different address by notice given in conformity with this Article.

(f) If more than one Lessor or Lessee is named in this Lease, service of any notice on any of Lessees or Lessors shall be deemed service on all of Lessees or Lessors, respectively.

Section 15.13. In the event Lessor and Lessee cannot agree on any point in this Lease, the parties agree that Indiana law shall be applicable hereto.

Section 15.14. Whenever under the Lease: (a) the consent or approval of Lessor is required or requested by Lessee, such consent or approval shall not be withheld, delayed, or conditioned unreasonably; or (b) Lessee requires or requests the permission of, or a determination by, Lessor, such permission shall not be withheld, delayed, or conditioned unreasonably, and such determination shall be made promptly and reasonably.

ARTICLE 16

Execution, Recording and Incorporation by Reference

Section 16.01. The parties shall, concurrently with the execution of this Lease, execute, acknowledge, and record the memorandum lease attached as Exhibit "D" and made a part of this Lease. Following recording, the memorandum shall be reattached to this Lease.

Section 16.02. This Lease has been executed at Bloomington, Indiana, on the day and year first above written.

LESSOR:

LESSEE:

THE REDEVELOPMENT COMMISSION
of the City of Bloomington, Indiana

By:

David Walter
David Walter, President

BLOOMHOTEL, LLC
an Indiana limited liability company

By:

Michael W Wells

Printed: MICHAEL W WELLS

Title: PRES OF MGR

Attest:

Michael Gentle
Michael Gentle, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MONROE)

David Walter and Michael Gentle, the President and Secretary, respectively of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public, in and for said County and State on the 4th day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing Hotel Land Ground Lease as their voluntary act and deed.

My Commission Expires: 1/22/04

Notary Public: Janet E Roberts
(Name Printed) Janet E. Roberts

County of Residence: Monroe

STATE OF INDIANA)
) SS:
COUNTY OF MONROE)

MICHAEL W. WELLS of BLOOMHOTEL, LLC an
Indiana limited liability company personally appeared before me, a Notary Public, in and for said
County and State on the 2nd day of December, 2004, and for and on behalf of said
limited liability company acknowledged the execution of the foregoing document as
his/her voluntary act and deed.

My Commission Expires: 1/27/07

Notary Public: Sherry M Puckett
(Name Printed) Sherry M Puckett

Residence: Monroe

EXHIBIT 'A

Legal Description for Hotel Real Estate

A part of Lot 223, 224, 265 and 266, the Twelve (12) Foot Alley, all in the City of Bloomington, Monroe County, Indiana, described as follows:

BEGINNING at the Northeast corner of Lot 265, Original Plat of Bloomington; thence SOUTH 00 degrees 25 minutes 34 seconds EAST (basis of bearings) along the East line of Lots 265, 263 and 224, and the twelve (12) foot alley between, same being the West line of North College Avenue, 187.53 feet; thence SOUTH 89 degrees 35 minutes 34 seconds WEST leaving the West line of College Avenue and crossing Lot 224 and into Lot 223, 116.45 feet; thence NORTH 00 degrees 25 minutes 52 seconds WEST leaving Lot 223 and crossing said twelve (12) foot alley and Lots 266 and 265, 187.62 feet to the North line of Lot 265, same being the South line of West Seventh Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST along the South line of West Seventh Street, same being the North line of Lot 265, 116.47 feet to the point of beginning, containing 0.502 acres, more or less.

This description subject to a 10' x 18' stair tower easement along the description's South line, per Deed Record 268, page 585.

EXHIBIT B

PROJECT DESCRIPTION REGISTER PLACE

The project described below and all work performed to achieve the project shall be completed pursuant to a Project Labor Agreement.

Overview

Register Place is a mixed-use development consisting of a parking facility, hotel, commercial space and residential dwelling units. This innovative vision resulted when the Redevelopment Commission requested a creative redevelopment of the Register Parking Garage.

Parking Structure

Located in the center of the block, the parking structure is approximately 180,000 square feet. It will accommodate about 552 automobiles, including eleven spaces for accessible parking. With entrances on Seventh and Morton Streets, the single helix, cast in place structure uses two way traffic and perpendicular parking for easy way-finding efficiency. For pedestrians, an elevator and stairway are located in the southeast corner, served conveniently by the public pedestrian way adjacent to the Graham Plaza. A second stair is located at the northwest corner of the garage. Immediately east of the garage is space for bicycle parking and landscaped site amenities. The primary, exposed, façade of the garage at Seventh Street will be treated with modest architectural details to compliment the architecture of the adjacent buildings. The City of Bloomington will manage operation of the garage.

Residential Buildings

The residential component consists of two (2) buildings that wrap the parking structure on two sides. Containing an approximate total of 76 individual units, the buildings primarily front Sixth and Morton Streets, with some frontage on 7th Street.

One structure is located at the corner of Sixth and Morton Streets. Approximately 8,000 square feet on the ground floor provides commercial and retail opportunities, accessed from Sixth Street and Morton Street. The upper floors contain about 52 residential units, accessed via a central elevator and stair core from the Morton Street entrance.

The second structure is located along Morton Street, spanning to Seventh Street. The 5,500 square foot ground floor provides commercial, retail or residential opportunities, accessed from Morton Street and Seventh Street. The upper floors contain approximately 24 residential units, accessed via a main hallway that connects to the elevator/stair core.

To compliment the architecture of downtown Bloomington and the adjacent Showers area, the primary facades of the apartment buildings will be clad with brick, masonry and metal elements. Coupled with glazed storefronts for the commercial tenant space, this treatment will establish the

primary façade for the project. The body of the façade will be brick and metal. Subtle changes in brick color or bonding pattern will balance the proportions of the façade. These secondary materials, such as metal windows, stone trim and the like, will be employed to provide variety in the detailing and similarly relate to the surrounding context. The facades are articulated with a window rhythm that corresponds to the apartment function within - with larger areas of glass at the primary living spaces. Top floor units are treated with a modest change in materials to create visual interest in the building.

Hotel

Located on the corner of College and Seventh Streets, the hotel will anchor the northeast corner of the site with approximately 105 rooms. The restaurant, lobby, lounge, fitness center and other business functions will be on the first floor and below grade on 7th Street, and guest rooms will be on the upper floors. In use, size and proportion, the hotel is a complimentary building to the apartment buildings. As such, the primary facades will include architectural details of brick, architectural masonry, aluminum storefronts and windows, and other materials complimentary to the apartment buildings.

CROSS REFERENCES:

EXHIBIT C

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is executed by the parties hereto on the 2nd day of December, 2004, to evidence their execution of a certain Hotel Land Ground Lease dated December 2, 2004 (the "Lease").

1. The name of the landlord ("Landlord") is The City of Bloomington, Indiana, Redevelopment Commission with an address of 401 N. Morton Street, Bloomington, IN 47401
2. The name of the tenant ("Tenant") is BLOOMHOTEL, LLC with an address of 11711 N. Pennsylvania St., Suite 200, Carmel, IN 46032-4539
3. The property demised by the Lease consists of the real property more particularly described on Exhibit A as per plat thereof, recorded February 11, 2003 as Instrument No. 2003003623 in the Office of the Recorder of Monroe County, Indiana and all easements rights and appurtenances thereto (the "Leased Premises").
4. The original term of the Lease is for a period commencing on 1/31/03 and ending on January 30, 2053.
5. The Lease grants to Tenant the option to extend the term of the Lease for five (5) additional successive period(s) of ten (10) years each, as more particularly set forth in the Lease.

This Memorandum of Lease is executed solely for the purpose of giving notice to third parties of the existence of the Lease and certain terms thereof. Reference is made to the Lease which contains a full description of the rights and duties of Landlord and Tenant and the terms, conditions, provisions and limitations on the use and occupancy of the Leased Premises. This Memorandum of Lease (or description of certain of such rights, duties, conditions and limitations) shall in no way or under any circumstances affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed as of the date set forth above.

LESSOR:

THE REDEVELOPMENT COMMISSION
of the City of Bloomington, Indiana

By:

David Walter
David Walter, President

Attest:

Michael Gentile
Michael Gentile, Secretary

LESSEE:

BLOOMHOTEL, LLC
an Indiana limited liability company

By:

Michael W Wells

Printed: MICHAEL W WELLS

Title: PRES OF MCA

STATE OF INDIANA)

) SS:

COUNTY OF MONROE)

David Walter and Michael Gentile, the President and Secretary, respectively of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public, in and for said County and State on the 24th day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing Hotel Land Ground Lease as their voluntary act and deed.

My Commission Expires: 1/22/04

Notary Public: Jane E Roberts

County of Residence: Monroe

(Name Printed) Jane E Roberts

STATE OF INDIANA)

) SS:

COUNTY OF MONROE)

MICHAEL W. WELLS of BLOOMHOTEL, LLC
Indiana limited liability company personally appeared before me, a Notary Public, in and for said County and State on the 2nd day of December, 2004, and for and on behalf of said limited liability company acknowledged the execution of the foregoing document as his/her voluntary act and deed.

My Commission Expires: 4/27/07

Notary Public: Sherry M Puckers

County of Residence: Monroe

(Name Printed) Sherry M Puckers

This instrument prepared by Karl P. Haas, Wallack Somers & Haas, P.C., One Indiana Square, Suite 1500, Indianapolis, Indiana 46204.

**HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES
ESTOPPEL CERTIFICATE**

THIS HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES ESTOPPEL CERTIFICATE ("**Estoppel Certificate**") is made by The City of Bloomington, Indiana, Redevelopment Commission ("**Redevelopment Commission**") and The City of Bloomington, Indiana ("**City**"; the Redevelopment Commission and the City are collectively referred to herein as "**Ground Lessor**") for the benefit of Wells Fargo Bank, National Association ("**Lender**"), and is delivered and effective as of the ____ day of _____, 2014.

RECITALS

A. The Redevelopment Commission is the fee owner of the land more particularly described on **Exhibit A** ("**Hotel Property**") attached hereto and made a part hereof. The City is the fee owner of the land more particularly described on **Exhibit B** ("**Parking Garage Property**") attached hereto and incorporated herein by this reference.

B. The Redevelopment Commission is party to a Hotel Land Ground Lease dated December 2, 2004, as memorialized by that certain Memorandum of Lease dated December 2, 2004 and recorded on December 7, 2004 as Instrument No. 2004026242 with the Monroe County, IN recorder's office (the "**Recorder's Office**"), and as assigned by that certain Assignment and Assumption of Hotel Land Ground Lease and Agreement to Lease Parking Spaces dated as of January 8, 2009 and recorded on January 21, 2009 as Instrument No. 2009000814 (the "**Assignment**") to RLJ II – HG Bloomington Lessee, LLC ("**Lessee**") (such Hotel Land Ground Lease, as assigned, the "**Ground Lease**"), whereby the Redevelopment Commission leases the Hotel Property to Lessee.

C. The City is party to an Agreement to Lease Parking Spaces dated December 2, 2004, as memorialized by that certain Form of Memorandum of Agreement recorded on December 7, 2004 as Instrument No. 2004026244 with the Recorder's Office, and as assigned by the Assignment (such Agreement to Lease Parking Spaces, as assigned, the "**Parking Agreement**") to Lessee, whereby Lessee has a leasehold interest in the parking spaces within the Parking Garage Property listed on **Exhibit C** attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement) (collectively, "**Parking Space Property**"). The Hotel Property and the Parking Space Property are collectively referred to herein as "**Property**".

D. The Lender has represented to the Ground Lessor that the Lender intends to make a loan secured by Lessee's leasehold estate in the Property to Lessee.

E. Ground Lessor has agreed to execute and deliver this Estoppel Certificate on the date first set forth above, with the understanding that Lender may rely on the truth and accuracy of the representations and statements contained herein.

NOW, THEREFORE, Ground Lessor hereby certifies, acknowledges and confirms to Lender that the information set forth herein is true and correct:

1. The foregoing recitals are correct and complete and are incorporated herein by this reference.

2. A true, correct and complete copy of the Ground Lease is attached to this Estoppel Certificate as Exhibit D.

3. A true, correct and complete copy of the Parking Agreement is attached to this Estoppel Certificate as Exhibit E.

4. The Ground Lease and the Parking Agreement are in full force and effect and, except as listed on Exhibit F attached hereto, the Ground Lease and the Parking Agreement have not been amended, modified, supplemented, nor has Ground Lessor consented to an assignment or sublease of the Ground Lease or Parking Agreement other than as provided in Recitals (B) and (C), above.

5. To the knowledge of the Redevelopment Commission, there are no defaults by either the Redevelopment Commission or Lessee under the Ground Lease. No notice of default has been served under the Ground Lease by the Redevelopment Commission or by Lessee, and the Redevelopment Commission knows of no circumstances which with notice and/or the passage of time would constitute a default under such agreement.

6. To the knowledge of the City, there are no defaults, by either the City or Lessee under the Parking Agreement. No notice of default has been served under the Parking Agreement by the City or Lessee, and the City knows of no circumstances which with notice and/or the passage of time would constitute a default under such agreement.

7. All installments of minimum rent and other charges required to be made by Lessee under the Ground Lease as of the date hereof have been paid in full through the date hereof. Commencing on December 2, 2004 and continuing through and including January 30, 2053, the total minimum rent payable under the Ground Lease is \$490.00, payable in ten (10) equal annual installments in the amount of \$49.00 each commencing on the twentieth (20th) anniversary of December 2, 2004, and then continuing on the same date for each of the succeeding nine (9) years.

8. All installments of rent and other charges required to be made by Lessee under the Parking Agreement have been paid in full through the date hereof. Commencing on January 1, 2006 and continuing through the remainder of the Term (as defined in the Parking Agreement), the monthly rent payable under the Parking Agreement is equal to: (a) the "City Ordinance Rate", as (i) in effect from time to time; and (ii) generally applicable to first-come, first-served parking spaces available to the general public in municipal public parking garages located in Bloomington, Indiana; multiplied by (b) the number of Accepted Spaces (as defined in the Parking Agreement); provided that, if the "City Ordinance Rate" differs based on hourly use, daily use, monthly use, or otherwise, then Lessee shall be afforded the benefit of the lowest rate,

adjusted by multiplying such lower rate by the appropriate unit of time, whether hourly, daily, or otherwise, as necessary to reflect the application of such rate to an entire month of usage.

9. Ground Lessor has not mortgaged or otherwise encumbered its fee simple interest in the Hotel Property or the Parking Garage Property.

10. The Ground Lease and the Parking Agreement contain no purchase option or right of first offer in favor of the applicable Ground Lessor.

11. The Redevelopment Commission consents to the leasehold mortgage granted by Lessee to Lender of Lessee's leasehold interests in the Hotel Property. The City consents to the leasehold mortgage granted by Lessee to Lender of Lessee's interest in the Parking Agreement to Lender.

12. The Redevelopment Commission acknowledges that all obligations of the Lessee to the Redevelopment Commission in connection with the property being leased by Lessee under the Ground Lease are wholly embodied in the Ground Lease. The City acknowledges that all obligations of the Lessee to the City in connection with the property being leased by Lessee under the Parking Agreement are wholly embodied in the Parking Agreement.

13. Ground Lessor acknowledges that Lender will hold a mortgage on Lessee's interest in the Property. Ground Lessor will acknowledge Lender as first leasehold mortgagee with all of the rights to which a first leasehold mortgagee is entitled under the Ground Lease and the Parking Agreement and will give notice to Mortgagee, as first leasehold mortgagee, in accordance with the Section 14.04 of the Ground Lease and Section 17(a) of the Parking Agreement at the following address:

Wells Fargo Bank, N.A.
Hospitality Finance Group
1750 H Street, N.W.
Suite 550
Washington, D.C. 20006
Attn: Mark F. Monahan

with a copy to:

Wells Fargo Bank, N.A.
301 S. College St.
4th Floor MAC: D1053-04N
Charlotte, NC 28202

IN WITNESS WHEREOF, Ground Lessor has executed and delivered this Estoppel Certificate as of the date first above written.

GROUND LESSOR:

**THE REDEVELOPMENT
COMMISSION OF THE
CITY OF BLOOMINGTON, INDIANA**

WITNESS

By: _____
Name: _____
Title: _____

WITNESS

**THE CITY OF BLOOMINGTON,
INDIANA**

By: _____
Name: _____
Title: _____

EXHIBIT A

Hotel Property Description

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT B

Parking Garage Property Description

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 287, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.99 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 103.99 feet to the Point of Beginning, containing 0.537 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

EXHIBIT C

List of Parking Spaces

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33. 405
34. 406
35. 407

EXHIBIT D

Ground Lease

2009000814 ASGN \$33.00
01/21/2009 01:18:49P 10 PGS

Monroe County Recorder IN
Recorded as Presented

PREPARED BY:
Recording requested by and when recorded mail to:
Arent Fox LLP
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036
Attention: Gerard Leval, Esq.

WHEN RECORDED RETURN TO:
LANDAMERICA COMMERCIAL SERVICES
140 EAST WASHINGTON ST.
INDIANAPOLIS, IN. 46204
CASE NO. 02-003706

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

ASSIGNOR'S NAME AND ADDRESS:	ASSIGNEE'S NAME AND ADDRESS:
Bloomhotel, LLC c/o White Lodging Services Corporation 1000 East 80 th Place Suite 700 North Merrillville, IN 46410	RLJ II- HG Bloomington, LLC c/o RLJ Capital Partners II, LLC 3 Metro Center Suite 1000 Bethesda, MD 20814

ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES

THIS ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES ("Assignment") is made as of this 8th day of Jan., 2009, by and between Bloomhotel, LLC, an Indiana limited liability company ("Assignor"), and RLJ II - HG Bloomington, LLC, a Delaware limited liability company ("Assignee").

RECITALS

A. Assignor and RLJ Lodging Fund II Acquisitions, LLC ("Fund") are parties to that certain New Hotels Purchase and Sale Agreement ("Purchase Agreement"), dated as of March 16, 2006, for the improved real property commonly known as the Bloomington Hilton Garden, pursuant to which Assignor has agreed to convey to the Fund, among other things, its leasehold estate in the real property and the improvements located thereon ("Hotel Property"), as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with Assignor's leasehold interest in the parking spaces listed on Exhibit B attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement, hereinafter defined) (collectively, "Parking Space Property"), which Parking Space Property is located in the garage located on the property more particularly described on Exhibit C attached hereto and incorporated herein by this reference ("Parking Garage Property"). The Hotel Property and the Parking Space Property are collectively referred to herein as "Ground Lease Property");

B. The Fund assigned its rights and obligations under the Purchase Agreement to acquire the Ground Lease Property to Assignee pursuant to that certain Assignment and Assumption of Rights to Purchase Real Property, dated as of January 7, 2009;

C. Assignor is the current lessee under that certain Hotel Land Ground Lease, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, Redevelopment Commission, as lessor ("Ground Lease"), a memorandum of which Ground Lease is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026242 and incorporated herein by this reference;

D. Assignor is the current lessee under that certain Agreement to Lease Parking Spaces, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, as lessor ("Parking Agreement"), a memorandum of which Parking Agreement is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026244 and incorporated herein by this reference. The Parking Agreement and the Ground Lease are hereinafter collectively referred to as the "Ground Lease Documents"; and

E. Assignor desires to assign, transfer, sell, convey, grant and deliver all of its right, title and interest in and to the Ground Lease Documents to Assignee in connection with the consummation of the purchase and sale of the Ground Lease Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Recitals. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. Effective Date. The "Effective Date" is defined to be the date hereof.
3. Assignment. Effective on the Effective Date, Assignor hereby assigns, sells, transfers, grants, delivers and conveys to Assignee all of Assignor's right, title and interest as lessee in, to and under the Ground Lease Documents and the Ground Lease Property.
4. Acceptance. Effective on the Effective Date, Assignee hereby accepts said assignment, sale, transfer and conveyance and assumes and agrees to keep, perform and be bound by all of the terms, covenants, conditions and obligations which are required to be performed by Assignor under the Ground Lease Documents from and after the Effective Date.
5. Indemnification. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) arising under the Ground Lease Documents and resulting from any events or from any acts or omissions of Assignee relating to the Ground Lease Documents accruing from and after the Effective Date. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) resulting from any events or from any acts or omissions of Assignor relating to the Ground Lease Documents accruing prior to the Effective Date.

6. Modification. No modification, waiver, amendment, discharge or change of this Assignment shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and assigns.

8. Governing Law. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana.

9. Attorneys' Fees. Should any dispute occur between Assignor and Assignee, with respect to this Assignment or any document executed in connection herewith, which results in litigation, the losing party or parties shall pay the prevailing party or parties their respective reasonable attorneys' fees and costs at trial and upon any appeal.

10. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Assignment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC,
an Indiana limited liability company

By: REI Real Estate Services, LLC

By: Jeffrey S. Sporleder
Jeffrey S. Sporleder,
Chief Financial Officer

STATE OF INDIANA)

MARION COUNTY)

SS:

I, Betsy A. Wall, a Notary Public in and for the said jurisdiction, do hereby certify that Jeffrey S. Sporleder, of REI Real Estate Services, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces ~~hereto~~ annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 16th day of December, 2008.

Betsy A. Wall
Notary Public

[NOTARIAL SEAL]

My Commission Expires: 7-17-16

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC
an Indiana limited liability company

By: BW Bloom, LLC

By: White Lodging Services Corporation,
Manager

By: *Lawrence E. Burnell*
Lawrence E. Burnell,
Chief Operating Officer

STATE OF INDIANA)
)
LAKE COUNTY) SS:

I, Marguerite E. Drake, a Notary Public in and for the said jurisdiction, do hereby certify that Lawrence E. Burnell, of White Lodging Services Corporation, Manager of BW Bloom, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 22nd day of December, 2008.



Marguerite E. Drake
Notary Public

My Commission Expires: February 26, 2009

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNEE:

RLJ II - HG BLOOMINGTON, LLC,
a Delaware limited liability company

By: 

Thomas J. Baltimore, Jr.
President

STATE OF MARYLAND)
) SS:
COUNTY OF MONTGOMERY)

I, Marc Moorman, a Notary Public in and for the said jurisdiction, do hereby certify that Thomas J. Baltimore, Jr., President of RLJ II - HG Bloomington, LLC, a Delaware limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of RLJ II - HG Bloomington, LLC.

Given under my hand and seal this 5th day of January, 2009.


Notary Public

My Commission Expires:

MARC MOORMAN
Notary Public
STATE OF MARYLAND
My Commission Expires 10-24-12

[NOTARIAL SEAL]

EXHIBIT A

Description of Hotel Property

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT B

List of Parking Spaces

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EXHIBIT C

Description of Parking Garage Property

Properly located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.99 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 193.99 feet to the Point of Beginning, containing 0.557 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

In accordance with IC 36-2-11-15, I affirm, under penalty of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

M. Jay Yurow (by me)
Signature of Preparer

M. Jay Yurow
Printed Name of Preparer

HOTEL LAND GROUND LEASE

This Hotel Land Ground Lease (the "Lease") made and entered into this 2nd day of December, 2004, by and between The City of Bloomington, Indiana, Redevelopment Commission ("Lessor") and BLOOMHOTEL, LLC, a(n) Indiana limited liability company successors or assigns ("Lessee"), is a "Separate Lease" that: (a) derives exclusively from that certain Ground Lease by and between Lessor and Mercury Development, LLC, an Indiana limited liability company and successor in interest to Register Exchange, LLC ("Original Lessee"), dated January 31, 2003, as amended and modified by that certain Comprehensive Amendment to Ground Lease by and between Lessor and Original Lessee, dated December 2, 2004 (the "Original Lease"); (b) is being executed and delivered by Lessor and Lessee pursuant to, and in accordance with, the terms and conditions of Section 10.03 of the Original Lease; (c) applies only to the interests in the Original Lease and the "Leased Land" that have been assigned by Original Lessee to Lessee; and (d) restates and supersedes the Original Lease as it applied to such interests, the Hotel Land (as hereinafter defined) and the leasehold interest of Lessee in and to the Hotel Land.

ARTICLE 1

Demise of Hotel Land

Section 1.01. Lessor, for and in consideration of the rents, covenants and conditions herein contained to be kept, performed, and observed by Lessee, leases and demises to Lessee, and Lessee rents and accepts from Lessor, the real property located in Monroe County, Indiana, described in Exhibit "A" attached hereto (the "Hotel Land").

Section 1.02. Lessor represents and warrants that Lessor is now or shall be the owner in fee simple absolute of the Hotel Land subject only to the covenants, conditions, restrictions, easements and other matters of record. Lessor's title shall be evidenced by a Leasehold Title Insurance Policy (without the standard survey exception) in the amount of \$1,000,000, issued by an ALTA approved title insurance company which is acceptable to Lessee. The cost of the title insurance, except for the cost of curing any title defects, shall be borne by Lessee.

Section 1.03. Lessor covenants and agrees that Lessee, upon payment of the rent and other charges herein provided and upon observance and performance of the covenants, conditions and other terms of this Lease, shall peaceably hold and enjoy the Hotel Land for the term hereby demised without hindrance or interruption by Lessor or any other person or persons claiming under Lessor.

ARTICLE 2

Lease Term

Section 2.01. This original term of this Lease shall be for a term commencing on the date hereof and ending on the 30th day of January, 2053 (the "Initial Term"), unless sooner terminated at an earlier date as provided elsewhere in this Lease.

Section 2.02. The term of this Lease automatically shall be deemed to be extended for five (5) successive renewal terms of ten (10) years each (each such extension of the term being referred to as a "Renewal Term"), unless either: (a) at least thirty (30) days prior to the expiration of the Initial Term or the then-current Renewal Term, Lessee gives notice in writing to Lessor that the term of this Lease will not be renewed; or (b) at the expiration of the Initial Term or the then-current Renewal Term, there exists an Event of Default (as hereinafter defined) that has not been cured within the periods provided by Section 11.02 and Article 14; provided that all Renewal Terms shall be upon all the terms and conditions of this Lease.

Section 2.03. If Lessee holds over after the expiration of the Initial Term (or any Renewal Term), then such tenancy shall be from month to month upon all the terms and conditions of this Lease.

Section 2.04. Prior to Lessor tendering possession and control of the Hotel Land to Lessee on the commencement date of the Initial Term, Lessor shall be responsible for terminating all leases or other rights to possession or use of the Hotel Land. Lessor agrees to hold harmless, defend, and indemnify Lessee from all claims and liabilities that may be asserted by third parties arising from the termination of any leases or other rights to possession or use.

ARTICLE 3 Consideration

Section 3.01 Lessee agrees to pay to Lessor without any prior demand therefore minimum rent for the Initial Term in the amount of Four Hundred Ninety Dollars (\$490.00) (the "Rental Payment"). The Rental Payment shall be made in ten (10) equal annual installments in the amount of Forty-Nine Dollars (\$49.00) each commencing on the twentieth (20th) anniversary of the date of this Lease and then continuing on the same date for each succeeding nine (9) years. Notwithstanding the foregoing, when the Original Lessee makes its rental payments under the Original Lease, Forty-Nine Dollars (\$49.00) of each such rental payment shall be credited and applied by Lessor as, and be deemed to be, payment by Lessee of a Rental Payment hereunder. In further consideration, Lessee covenants and agrees that it will construct upon the leased premises the improvements substantially as described on Exhibit "B" attached hereto (the "Improvements").

Section 3.02. The minimum rent for each of the Renewal Terms shall be the sum of One Dollar (\$1.00) per year, or a total of Ten Dollars (\$10.00), payable in advance on the first day of each Renewal Term.

ARTICLE 4 Taxes and Utilities

Section 4.01.

(a) During the Initial Term (and any Renewal Terms), Lessee agrees to pay all real and personal property taxes levied and assessed and which become due and payable upon: (1) the Hotel Land and all improvements constructed thereon by Lessee; and (2) the personal property used in connection with the improvements located on the Hotel Land. For the first calendar year of the Initial Term, Lessor shall pay all real estate and personal property taxes upon the Hotel Land, the improvements constructed thereon, and all personal property used in connection with the improvements which become due and payable during such calendar year. For the last calendar year of the Initial Term (or the last year of the final Renewal Term), Lessee shall pay all real and personal property taxes assessed upon the Hotel Land, the improvements constructed thereon, and the personal property used in connection with the improvements for such last calendar year as they become due and payable in the calendar year following termination or expiration of the Lease.

(b) In the event any special tax or assessment is levied or assessed on the Hotel Land which becomes due and payable during the Initial Term (or any Renewal Term), and the tax or assessment may be legally paid in installments, Lessee shall have the option to pay such tax or assessment in installments if all such installments are paid before expiration of the then existing term. Lessor agrees to execute or join with Lessee in the execution of any application or other instrument that may be necessary to permit the payment of such special tax or assessment in installments.

(c) Lessee shall have the right to contest the amount or validity of any such tax or assessment by appropriate legal proceedings. Lessor shall, upon request, join in any such proceedings if Lessee determines that it shall be necessary or convenient for Lessor to do so in order for Lessee to prosecute such proceedings properly. If Lessor is joined, Lessee agrees to pay all expenses incurred by Lessor's involvement in such proceedings including reasonable attorney's fees.

Section 4.02. Lessee shall pay or cause to be paid all charges, including connection fees, for water, heat, gas, electricity, sewers, and any and all other utilities used upon the Hotel Land throughout

the Initial Term (or any Renewal Term). Lessee shall be permitted to pay any connection or other fees due to the City of Bloomington Utilities Department ("CBU") related to initial construction of the improvements and their connection to the CBU water, wastewater, or storm water systems, on an "in-kind" basis by providing construction services for infrastructure improvements to be made in the vicinity of the project which are at least equal in value to the total fees which would otherwise have been paid by Lessee for the project.

ARTICLE 5 Use of Premises

Section 5.01. Lessee shall have the right to use the Hotel Land for the operation of any uses permitted by applicable zoning regulations after taking into account any applicable grandfather exemptions or variances. Lessor agrees that it will not initiate, consider, or approve any change in zoning of the Hotel Land during the Initial Term (or any Renewal Terms), without the prior written consent of Lessee, which consent Lessee shall be permitted to withhold in its sole discretion.

Section 5.02. As part of the Improvements constructed upon the Hotel Land, Lessee shall have the right to erect and maintain on the Hotel Land all signs that it deems appropriate to the conduct of its business so long as all such signs comply with the applicable building and zoning codes after taking into account any applicable grandfather exemptions or variances.

ARTICLE 6 Construction by Lessee

Section 6.01. Subject to the satisfaction of all contingencies contained in other provisions of this Lease, Lessee shall construct a hotel substantially as described on Exhibit "B", all of which have been reviewed and approved by Lessor; provided that:

- (a) The cost of any such construction, reconstruction, demolition, or of any change or alteration to the Improvements shall be borne and paid for by Lessee.
- (b) Subject to the terms and conditions of Article 8, the Hotel Land shall at all times be kept free of mechanic's and materialman's liens by Lessee.
- (c) Lessor shall be notified at the time of commencement of the construction of the Improvements.
- (d) Lessor shall use its best efforts and assist Lessee in good faith to obtain any permits or approvals required from the City of Bloomington Stormwater Utility in connection with the construction of the Leased Land, including construction of the Improvements.

Section 6.02. As part of the consideration to Lessee for the execution of this Lease and in order to provide for the more orderly development of the Hotel Land:

- (a) It may be necessary, desirable, or required that street, water, sewer, drainage, gas, power line, and other easements, dedications, and similar rights be granted or dedicated, on or within portions of the Hotel Land so that Lessor shall, upon Lessee's advance written request, join with Lessee in executing and delivering such documents from time to time, and throughout the Initial Term (and any Renewal Terms), as may be appropriate, necessary, or required by the several governmental agencies, public utilities, and companies for the purpose of granting such easements and dedications.
- (b) If Lessee deems it necessary or appropriate to obtain use, zoning, or subdivision and plat approval and permits with respect to the Hotel Land or the Improvements, Lessor agrees, from time to time upon request by Lessee, to execute such documents, petitions, applications, and authorizations as may be appropriate or required for the purposes of obtaining conditional use permits, zoning and rezoning, tentative and final plat approval, and further for the purposes of annexation to, or the

creation of, districts and governmental subdivisions; provided, first, that Lessor consents to and otherwise agrees to any such change, alteration or application.

Section 6.03. It is expressly understood and agreed that any and all improvements, including the fixtures, machinery, and equipment of whatsoever nature at any time constructed, placed, or maintained upon any part of the Hotel Land by Lessee, shall be and remain property of Lessee so long as this Lease is in effect. Lessee shall have the right at any time during Lessee's lawful occupancy of the Hotel Land, or within a reasonable time thereafter, to remove any and all improvements owned or placed by Lessee, or its sublessees or licensees, in, under, or upon, the Hotel Land, or acquired by Lessee, whether before or during the Initial Term (or any Renewal Terms), but Lessee shall not be obliged to do so. In the event this Lease is terminated for any reason, whether by expiration, operation of law or otherwise, all such improvements shall become the property of Lessor, subject to all covenants, conditions, restrictions, easements, and leases previously consented to by Lessee.

Section 6.04. Lessor shall provide to Lessee, as quickly as reasonably possible after the execution of this Lease, complete originals or copies of all surveys of the Hotel Land in the possession or control of Lessor and all files, records, drawings, plans, specifications, utility information, and related documents and information with respect to the Hotel Land. Where available, Lessor shall provide the documents and information in both hard copy and electronic format. Lessor shall also authorize Bynum Fanyo & Associates, Inc., to release to Lessee all survey and other information in its possession concerning the Hotel Land.

Section 6.05. At the request of Lessee, Lessor shall apply for and obtain all permits, consents, or approvals that will be required in the event the improvements to be constructed in accordance with this Lease will encroach upon adjacent property owned by Lessor.

Section 6.06. At the request of Lessee, Lessor shall apply for and obtain all permits, consents, or approvals that will be required in order to vacate any existing platted alleys running through the Hotel Land.

ARTICLE 7

Repairs and Restoration

Lessee, at Lessee's own cost and expense at all times during the term of this Lease, agrees to keep and maintain or cause to be kept and maintained, the improvements in first-class state of appearance and repair, reasonable wear and tear excepted. Notwithstanding the foregoing, Lessee may from time to time engage in the remodeling and/or alteration of the improvements; provided that it acts in a commercially reasonable manner.

ARTICLE 8

Mechanic's Liens

Section 8.01. Lessee shall not suffer or permit any mechanic's liens or any other liens to be filed against the fee of the Hotel Land, nor against Lessee's interest in the Hotel Land, nor any of the improvements, by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee or anyone holding the Hotel Land or any part thereof through or under Lessee.

Section 8.02. If any such mechanic's liens or materialman's liens shall be recorded against the Hotel Land, or any improvements, Lessee shall cause the same to be removed, or, and in the alternative, if Lessee in good faith desires to contest the same, Lessee shall be privileged to do so, but, in such case, Lessee hereby agrees to indemnify and save Lessor harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure upon said mechanic's liens, cause the same to be discharged and removed prior to the execution of such judgment.

ARTICLE 9
Condemnation

Section 9.01. If the Hotel Land, the Improvements, or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, then the interests of Lessor and Lessee in the award of consideration for such transfer and the effect of the taking of the transfer upon this Lease shall be as provided by this Article. Neither Lessor nor its affiliates, subsidiaries, or related entities shall, during the Initial Term (or any Renewal Terms), use the power of eminent domain to initiate the taking of the whole or any part of the Hotel Land.

Section 9.02. If the Hotel Land, the Improvements, or any part thereof are taken or so transferred, then this Lease and all the right, title, and interest thereunder shall cease on the date title to such land so taken or transferred vests in the condemning authority, and the proceeds of such condemnation shall be divided according to the apportionment between the Hotel Land and the improvements made by the condemning authority; provided that Lessee shall be entitled to retain: (a) all proceeds apportioned and paid in connection with the Improvements; (b) during the Initial Term, all proceeds apportioned and paid in connection with the Hotel Land; and (c) after the Initial Term, a portion of the proceeds apportioned and paid in connection with the Hotel Land, which portion shall equal all such apportioned proceeds, multiplied by a fraction, the numerator of which is the total number of years in the current Renewal Term and all remaining Renewal Terms, and the denominator of which is fifty (50).

Section 9.03. If the taking or transfer is only a part of the Hotel Land leaving the remainder of the Improvements in such location, or in such form, shape, or reduced size as to be not effectively and practicably usable for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease and all right, title, and interest hereunder shall cease on the date title to the Hotel Land, improvements, or the part thereof so taken or transferred vests in the condemning authority.

Section 9.04. If the taking or transfer is only a part of the Hotel Land, leaving the remainder of the Improvements in such location and in such form, shape, or size as to be used effectively and practicably for the purpose of operation thereon of Lessee's business, as determined by Lessee, then this Lease shall terminate and end as to the part of the Hotel Land so taken or transferred only.

Section 9.05. Lessor shall immediately notify Lessee upon receiving notice of the initiation of any condemnation or eminent domain proceeding involving the Hotel Land. Lessor appoints and authorizes Lessee as its agent and attorney in fact to represent the interests of Lessor and Lessee in any such condemnation or eminent domain proceeding.

Section 9.06. For purposes of this Article, the term "Improvements" shall mean the Improvements (as defined in Section 3.01) and any additions to, and/or reconstructions, replacements, remodelings, and/or alterations of, the Improvements.

ARTICLE 10
Assignment and Sublease

Section 10.01. Lessee shall have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor to any entity controlling, controlled by, or under common control with Lessee or White Lodging. Otherwise, Lessee shall not have the right to assign or convey Lessee's entire interest in this Lease and the Leased Land without the prior written approval of Lessor, which approval shall not be withheld, conditioned, or delayed unreasonably. Any assignment of Lessee's entire interest in this Lease which is approved by Lessor (or which does not require Lessor's approval) will release Lessee from any liability hereunder; provided that the assignee executes and delivers an agreement assuming all of Lessee's obligations hereunder.

Section 10.02. Lessee shall have the right to assign a portion of Lessee's interests in this Lease, the Leased Land, and/or the Improvements (the "Partial Assignment") or to sublease all or any portion of

the Leased Land and/or the Improvements without the prior written approval of Lessor; provided that no Partial Assignment or sublease shall release Lessee from any liability to Lessor, unless Lessor also executes and delivers an instrument which releases Lessee of any further liability to Lessor (the "Release Instrument"). Lessor shall not unreasonably or arbitrarily withhold or delay its consent to any requested assignment, and, when construction of the Improvements is completed, Lessor shall execute and deliver to Lessee a certificate of completion in recordable form.

Section 10.03. In conjunction with a Partial Assignment for which Lessor executes and delivers a Release Instrument, Lessor also shall execute such documents and instruments as are necessary or appropriate to facilitate the Partial Assignment and effect the release, including, without limitation, documents and instruments that sever this Lease into two separate ground leases (the "Separate Leases"): (a) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that have been assigned (the "Assigned Interests"); and (b) one that applies only to the interests in this Lease, the Leased Land, and/or the Improvements that are being retained; in order to reflect that: (a) consistent with the terms and conditions of this Lease, there shall be two separate "Lessees" of equal status, the leasehold interests of which "Lessees" in and to separate portions of the Leased Land derive exclusively from this single original Lease; and (b) without the Separate Leases: (i) effecting the Partial Assignment and releasing Lessee from further liability to Lessor with respect to the Assigned Interests; and (ii) financing improvements to be constructed on the portioned of the Leased Land to which the Assigned Interests apply; will be impractical or impossible without Separate Leases and other Release Instruments.

ARTICLE 11

Default Provisions and Remedies

Section 11.01. Upon the default by Lessee of any of the terms or conditions of this Lease, which default is not cured within any applicable cure period, Lessor shall have the right, upon such notice, but subject to the terms and conditions of Article 14, to re-enter and re-let the Leased Land or parcels thereof from time to time, and such re-entry and/or re-letting shall not discharge Lessee from any liability or obligations hereunder, except that net rents collected as a result of such re-letting shall be acquitted on Lessee's liability for the Rental Payments and other sums due under the terms of this Lease. Nothing herein, however, shall be construed to require Lessor to re-enter and re-let in such event, nor shall anything herein be construed to waive or postpone the right of Lessor to sue for the Rental Payments due, but on the contrary, Lessor shall have the right and option, at any time after such uncured default, to declare all Rental Payments or other sums payable or to be payable hereunder immediately due and payable, and is hereby given the right to sue for all Rental Payments and other sums rents due and payable at any time after such uncured default.

Section 11.02. The occurrence of any one of the following events shall be considered an "Event of Default":

(a) Failure to pay when due any one or more installments of the Rental Payments or any other sums due Lessor from Lessee within thirty (30) days after Lessee's receipt of written notice of nonpayment from Lessor.

(b) Default in performing any other of Lessee's obligations hereunder and failure to cure such default within sixty (60) days after written notice from Lessor; provided, however, that, if Lessee determines that the event of default cannot be cured within 60 days despite diligent effort, it shall notify Lessor in writing within twenty-one (21) days of receipt of the notice of default from Lessor. The notice from Lessee to Lessor shall include detailed plans and a schedule for curing the default as soon as reasonably possible using diligent effort. The time within which Lessee shall be permitted to cure the default shall be extended for so long as Lessee continues to pursue such cure in accordance with the plans and schedule provided to Lessor.

(c) Levy or execution or other legal process upon the Improvements, or upon the interest of Lessee in this Lease, unless such execution or other levy be discharged of record within sixty (60) days.

(d) The filing of a voluntary petition in bankruptcy by Lessee or the final adjudication of Lessee as a bankrupt.

(e) The making by Lessee of general assignment for the benefit of creditors, or the appointment of a receiver, whether in bankruptcy or otherwise, for all Lessee's property, including the Improvements, provided such appointment be not vacated or set aside within sixty (60) days.

(f) The approval of any plan of reorganization for Lessee which is not satisfactory to, or approved by, Lessor.

(g) The abandonment or vacation of the Improvements by Lessee for more than thirty (30) days; provided that Lessee shall not be deemed to have abandoned the Improvements when Lessee is engaged in construction, reconstruction, replacing, remodeling, or alteration of the Improvements.

Section 11.03. In the event of a default under this Lease by either party, the non-defaulting party shall be entitled to recover from the defaulting party, in addition to all other remedies which may be available under this Lease and under law or equity, the reasonable attorney fees and related costs incurred in the enforcement of this Lease.

ARTICLE 12

Expiration and Surrender

Section 12.01. This Lease will expire on the last day of the Initial Term (or the last Renewal Term) unless sooner terminated by the provisions of this Lease.

Section 12.02. Unless otherwise mutually agreed by the parties, within fifteen (15) days after expiration of the Initial Term (or the last Renewal Term), Lessee agrees to deliver possession of the Hotel Land to Lessor subject only to the terms, covenants, conditions, restrictions, easements, and other matters of record which were set forth in the Leasehold Title Insurance Policy identified in Section 1.02 of this Lease affecting the Leased Land.

ARTICLE 13

Insurance and Indemnification

Section 13.01. Lessee agrees to indemnify and hold Lessor and the Hotel Land free and harmless from any and all claims, liability, loss, damage or expenses (including reasonable attorney's fees) resulting from Lessee's occupation and use of the Hotel Land, including any claim, liability, loss or damage arising by reason of:

(a) The death or injury of any person or persons, including any person who is an agent or employee of Lessee, or by reason of the damage to or destruction of any property, including property owned by Lessee or any person who is an agent or employee of Lessee;

(b) Any work performed on the Hotel Land or materials furnished to the Hotel Land at the instance or request of Lessee or any agent or employee of Lessee; and

(c) Lessee's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on Lessor or the Hotel Land by any duly authorized governmental agency or political subdivision;

except for Indemnity Losses (as hereinafter defined) and any demands, suits, claims, actions or causes of action (including, without limitation, corrective, responsive, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto, which result or arise from an Indemnity Loss.

Section 13.02. Lessee shall, at its own cost and expense, secure and maintain during the Initial Term (and any Renewal Terms) a broad form comprehensive coverage policy of public liability insurance issued by an insurance company acceptable to Lessor, insuring Lessor against loss or liability caused by or connected with Lessee's occupation and use of the Hotel Land, in amounts not less than:

(a) \$1,000,000 for injury to, or death of, one person, and not less than \$2,000,000 for injury to, or death of, two or more persons as a result of any one accident or incident; and

(b) \$100,000 for damage to or destruction of any property of others.

Section 13.03. Lessee, at its sole cost and expense, shall keep the Improvements insured during the Initial Term (and any Renewal Terms) against loss or damage by fire or earthquake, with replacement cost endorsement. Such replacement value shall be determined from time to time in accordance with the provisions of the policy.

Section 13.04. All insurance provided for in this Article shall be effected under valid and enforceable policies issued by insurers of recognized responsibility. Upon the execution of this Lease, and thereafter not less than fifteen (15) days prior to the expiration dates of the issued policies, proof of insurance together with other evidence adequately establishing the payment of premium for such policies shall be delivered by Lessee to Lessor. All policies of insurance shall name as insureds Lessor, Lessee, and any Mortgage Lender (as hereinafter defined), as their respective interests may appear. Each such policy or certificate issued by the insurer shall contain an agreement by the insurer that such policy shall not be canceled without at least ten (10) days' prior written notice to Lessor and any Mortgage Lender.

Section 13.05. Lessor and Lessee hereby expressly waive any and all claims against each other for loss or damage due to fire or the perils, risks, or hazards ordinarily insured against in a State of Indiana standard form of Fire Insurance Policy with Extended Coverage Endorsement and which are, in fact, covered by such insurance, regardless of the cause of such loss or damage, including, without limitation, loss or damage resulting from the negligence of the respective parties, their agents, servants, employees, invitees, licensees, concessionaires and subtenants.

Section 13.06. Lessor hereby agrees to indemnify, defend and hold Lessee harmless from and against all demands, suits, claims, actions or causes of action (including but not limited to corrective, response, or remedial actions), assessments, losses, damages, liabilities, settlements, penalties, and forfeitures, and costs and expenses incident thereto (including but not limited to attorneys' fees, legal expenses, consultants' fees and court costs) (hereinafter collectively referred to as an "Indemnity Loss") asserted against, suffered, or incurred by Lessee as a direct or indirect result of:

(a) Pollutants, contaminants, hazardous or toxic materials, substances, or wastes generated, treated, stored, discharged, disposed of, injected, leaked, spilled or placed, released, or threatened to be released: (i) on or from the Hotel Land; (ii) as a result of the operations, acts, or omissions of Lessor or Lessor's predecessor's in interest; or (iii) as a result of the operations, acts, or omissions of any person, corporation, partnership, or other entity hired, employed, contracted, or retained by, or otherwise acting for or on behalf of, Lessor;

(b) Pollutants, contaminants, hazardous, or toxic materials, substances, or wastes that have migrated onto the Hotel Land from adjacent properties; or

(c) Any past, present or future failure or alleged failure of Lessor or Lessor's predecessors in title to comply with any applicable federal, state, local, or other laws, regulations, and court or administrative orders, including but not limited to environmental matters.

ARTICLE 14
Subordination

Section 14.01. Lessor agrees that Lessee shall have the unrestricted right to encumber at any time and from time to time the Lease, the Leasehold, the improvements, the personal property of Lessee, and any interests therein or thereunder, including, without limitation, subleases and licensees, with mortgages, security interests, and/or assignments (the "Mortgages") granting mortgage liens, security interests, and/or assignments (the "Mortgage Liens") to secure indebtedness that at any time and from time to time may be extended to Lessee by its lenders (the "Mortgage Lenders"); provided that nothing contained in this Lease shall be construed as an agreement by Lessor to subordinate its fee simple interest in the Hotel Land to any Mortgage Lien.

Section 14.02. Upon the request of Lessee and/or any Mortgage Lender, Lessor shall evidence its assent to and confirm its agreement to a Mortgage Lien by executing and delivering such instruments as may be reasonably requested by Lessee and/or any Mortgage Lender.

Section 14.03. So long as any portion of the indebtedness secured by a Mortgage Lien is outstanding, Lessor shall not agree to any mutual termination nor accept any surrender of this Lease by Lessee or consent to any material amendment or modification of this Lease without the prior written consent of all Mortgage Lenders. Any termination, surrender, amendment, or modification in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.04. Notwithstanding any default by Lessee in the observance or performance of any covenant, condition, obligation, or agreement on the part of Lessee to be kept, performed, or observed, Lessor shall have no right to terminate the Leasehold or this Lease even though an Event of Default may have occurred and be continuing, unless and until Lessor shall have given all Mortgage Lenders written notice of such Event of Default, and the Mortgage Lenders shall have failed to cure such Event of Default or commence efforts to cure such Event of Default or acquire possession of the Hotel Land and/or the improvements as provided in Sections 14.07 and 14.08. Any termination in violation of the terms and conditions of this Section shall be null and void and have no force or effect.

Section 14.05. Each Mortgage Lender shall have the right, but not the obligation, at any time prior to the termination of this Lease, and without payment of any penalty, to pay any of the rents due hereunder, to provide any insurance, to pay any taxes, to release any mechanic's liens, to make any repairs or improvements, and to make any other payments or do any other act or thing required to be paid or done by Lessee by the terms and conditions of this Lease. All payments so made and all things so done and performed by a Mortgage Lender shall be accepted by Lessor as effective to prevent a termination of this Lease and to cure an Event of Default as the same would have been if made, done, or performed by Lessee. After a termination of this Lease, the terms and conditions of Section 14.10 shall apply.

Section 14.06. If a Mortgage Successor (as hereinafter defined) takes possession of the Leasehold and/or the improvements, then the Mortgage Successor's liability under and with respect to the Lease, the Leasehold, the improvements, and any interests therein or thereunder shall be limited to: (a) the amounts due and payable to Lessor for the unexpired balance of the Initial Term (or any Renewal Terms); and (b) observance or performance of any obligation or agreement on the part of Lessee first arising after the Mortgage Successor takes possession. The term "Mortgage Successor" shall mean a Mortgage Lender, a receiver appointed at the request of a Mortgage Lender, a purchaser at a foreclosure sale, or a party to which the Leasehold is transferred by an assignment in lieu of foreclosure, and their successors and assigns.

Section 14.07. If any Event of Default occurs, then each Mortgage Lender shall have sixty (60) days (beginning after receipt of the notice from Lessor required by Section 14.04 and the expiration of the applicable period for Lessee to cure the Event of Default under Section 11.02) in which to cure the Event of Default. If a Mortgage Lender requires possession of the Hotel Land and/or the improvements to cure the Event of Default, or if, by its nature, the Event of Default cannot reasonably be cured within such sixty

(60) day period, then the Mortgage Lenders shall have a reasonable time after the expiration of such sixty (60) day period within which to cure the Event of Default; provided that a Mortgage Lender cures within such sixty (60) day period all other Events of Default which can be cured solely by the payment of monies to Lessor.

Section 14.08. An Event of Default for which an extended cure period is permitted by the terms and conditions of Section 14.07 shall be deemed remedied so long as a Mortgage Lender is diligently proceeding to acquire possession of the Hotel Land and/or the Improvements from Lessee or foreclose its Mortgage Lien, and, after possession is obtained (directly by a Mortgage Lender or indirectly by a receiver appointed at the request of a Mortgage Lender) or the foreclosure is completed (by the Leasehold being purchased at a foreclosure sale or the Leasehold being transferred by an assignment in lieu of foreclosure), the Mortgage Successor shall have a reasonable period of time, but not less than ninety (90) days, to cure any remaining Events of Default.

Section 14.09. If a Mortgage Lender is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy, rehabilitation, or insolvency proceedings involving Lessee, the time for commencing or prosecuting foreclosure or other proceedings shall be extended by the period of such prohibition.

Section 14.10. If Lessor terminates this Lease by reason of any Event of Default, then, upon written request by a Mortgage Lender served upon Lessor within ninety (90) days after such termination, Lessor shall execute and deliver a new ground lease for the remainder of the Initial Term (and any Renewal Term) with the same terms, conditions, covenants, and agreements of this Lease, excepting that Lessor shall not be required to remove the lien of any lienholder whose interest in the Leasehold and/or the Improvements was created by the action or inaction of Lessee, and excepting further that the Mortgage Lender shall agree to take the improvements in their condition at the time, subject to the terms and conditions of Section 13.06.

Section 14.11. If a Mortgage Successor acquires possession of the Hotel Land and assumes the obligations of Lessee under this Lease, then, notwithstanding the provisions of Section 10.01, the Mortgage Successor shall be permitted to assign the entire interests of Lessee in this Lease and the Hotel Land to a third party without the consent of Lessor, however such an assignment shall not be permitted unless the Assignee is qualified to satisfy the obligations included in the terms of the ground lease, including but not limited to having experience in hotel management, having a franchise for a hotel operation, having adequate net worth to finance such an operation. Any such assignment shall release the Mortgage Successor from liability for the performance of the obligations of Lessee under this Lease.

Section 14.12. Lessor and Lessee shall cooperate in providing any additional amendment, instrument, or document reasonably required by a Mortgage Lender or which may otherwise be necessary or expedient to implement the provisions of this Article 14; provided that no such amendment, instrument, or document shall extend the term of this Lease beyond the Initial Term (and any Renewal Term) nor adversely effect Lessor's rights hereunder.

Section 14.13. Lessor shall mail a duplicate copy of any notice of an Event of Default by certified mail to each Mortgage Lender as provided in the other provisions of this Lease, and no notice by Lessor to Lessee shall be deemed to have been properly given unless and until a copy of the notice has been sent each Mortgage Lender.

Section 14.14. If the Improvements are damaged or destroyed by fire or other casualty, then the insurance proceeds shall be used to rebuild or replace the Improvements or applied as provided in the Mortgages. It shall not be an Event of Default under this Lease so long as Lessee is trying in good faith to repair or rebuild the damaged property.

ARTICLE 15
Miscellaneous

Section 15.01. All of the provisions of this Lease shall be deemed as running with the land and construed to be "conditions" as well as "covenants" as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 15.02. No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term, or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement, and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 15.03. Time is of the essence of this Lease and of each provision hereof. The time in which any act provided by this Lease to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday, or legal holiday, and then it is also excluded so that the last day is the next day following such Saturday, Sunday, or legal holiday.

Section 15.04. If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, walk-outs, labor troubles, inability to procure materials, restrictive governmental laws or regulations, or other cause, without fault beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this Section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee except as may be expressly provided elsewhere in this Lease.

Section 15.05. Each and all the covenants, conditions, and restrictions in this Lease shall inure to the benefit of, and shall be binding upon, the successors in interest of Lessor, and the assignees, transferees, subtenants, licensees, and other successors in interest of Lessee.

Section 15.06. This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party, which is not contained in this Lease shall be binding or valid.

Section 15.07. If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 15.08. Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or a partnership, joint venture, or any association between Lessor and Lessee, and neither the provisions contained in this Lease, nor any acts of the parties shall be deemed to create any relationship between Lessor and Lessee, other than the relationship of lessor and lessee.

Section 15.09.

(a) The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Lessor or Lessee.

(b) Unless otherwise provided in this Lease or unless the context otherwise requires, the following definitions and rules of construction shall apply to this Lease:

(i) In this Lease, the neuter gender includes the feminine and masculine, and the singular number includes the plural, and the word "person" or "entity" includes a corporation, partnership, limited liability company, firm, or association wherever the context so requires.

(ii) "Shall," "will," and "agrees" are mandatory; and "may" is permissive.

(iii) Captions of the articles, sections, and paragraphs of this Lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Lease.

(iv) Except as otherwise provided, all references to the term of this Lease or to the lease term shall include any Renewal Terms.

Section 15.10. Any sum accruing to Lessor under the provisions of this Lease which shall not be paid when due shall bear interest at the prevailing prime rate as published in the Wall Street Journal on the last publication date immediately preceding the date of accrual.

Section 15.11. This Lease is not subject to amendment or modification except in writing.

Section 15.12.

(a) All rents or other sums, notices, demands, or requests from one party to another may be personally delivered or sent by mail, certified or registered, postage pre-paid, to the addresses stated in this section.

(b) All notices, demands, or requests from Lessee to Lessor shall be given to Lessor at City of Bloomington Redevelopment Commission, P.O. Box 100, Bloomington, Indiana 47402.

(c) All notices, demands, or requests from Lessor to Lessee shall be given to Lessee at 11711 North Pennsylvania Street, Suite 200, Carmel, Indiana 46032, Attention: Michael W. Wells

(d) A copy of all notices, demands, or requests from Lessor to Lessee shall be given to Karl P. Haas, Esq., Wallack Somers & Haas, One Indiana Square, Suite 1500, Indianapolis, Indiana 46204.

(e) Each party shall have the right, from time to time, to designate a different address by notice given in conformity with this Article.

(f) If more than one Lessor or Lessee is named in this Lease, service of any notice on any of Lessees or Lessors shall be deemed service on all of Lessees or Lessors, respectively.

Section 15.13. In the event Lessor and Lessee cannot agree on any point in this Lease, the parties agree that Indiana law shall be applicable hereto.

Section 15.14. Whenever under the Lease: (a) the consent or approval of Lessor is required or requested by Lessee, such consent or approval shall not be withheld, delayed, or conditioned unreasonably; or (b) Lessee requires or requests the permission of, or a determination by, Lessor, such permission shall not be withheld, delayed, or conditioned unreasonably, and such determination shall be made promptly and reasonably.

ARTICLE 16

Execution, Recording and Incorporation by Reference

Section 16.01. The parties shall, concurrently with the execution of this Lease, execute, acknowledge, and record the memorandum lease attached as Exhibit "D" and made a part of this Lease. Following recording, the memorandum shall be reattached to this Lease.

Section 16.02. This Lease has been executed at Bloomington, Indiana, on the day and year first above written.

LESSOR:

LESSEE:

THE REDEVELOPMENT COMMISSION
of the City of Bloomington, Indiana

By:

David Walter
David Walter, President

BLOOMHOTEL, LLC
an Indiana limited liability company

By:

Michael W Wells

Printed: MICHAEL W WELLS

Title: PRES OF MON

Attest:

Michael Gentile
Michael Gentile, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MONROE)

David Walter and Michael Gentile, the President and Secretary, respectively of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public, in and for said County and State on the 4th day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing Hotel Land Ground Lease as their voluntary act and deed.

My Commission Expires: 1/22/04

Notary Public:

Janet E Roberts

County of Residence: Monroe

(Name Printed)

Janet E Roberts

STATE OF INDIANA)
) SS:
COUNTY OF MONROE)

MICHAEL W. WELLS of BLOOMHOTEL, LLC an
Indiana limited liability company personally appeared before me, a Notary Public, in and for said
County and State on the 2nd day of December, 2004, and for and on behalf of said
limited liability company acknowledged the execution of the foregoing document as
his/her voluntary act and deed.

My Commission Expires: 1/27/07

Notary Public:

Sherry M Puckett

County of Residence: Monroe

(Name Printed)

Sherry M Puckett

EXHIBIT A

Legal Description for Hotel Real Estate

A part of Lot 223, 224, 265 and 266, the Twelve (12) Foot Alley, all in the City of Bloomington, Monroe County, Indiana, described as follows:

BEGINNING at the Northeast corner of Lot 265, Original Plat of Bloomington; thence SOUTH 00 degrees 25 minutes 34 seconds EAST (basis of bearings) along the East line of Lots 265, 263 and 224, and the twelve (12) foot alley between, same being the West line of North College Avenue, 187.53 feet; thence SOUTH 89 degrees 35 minutes 34 seconds WEST leaving the West line of College Avenue and crossing Lot 224 and into Lot 223, 116.45 feet; thence NORTH 00 degrees 25 minutes 52 seconds WEST leaving Lot 223 and crossing said twelve (12) foot alley and Lots 266 and 265, 187.62 feet to the North line of Lot 265, same being the South line of West Seventh Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST along the South line of West Seventh Street, same being the North line of Lot 265, 116.47 feet to the point of beginning, containing 0.502 acres, more or less.

This description subject to a 10' x 18' stair tower easement along the description's South line, per Deed Record 268, page 585.

EXHIBIT B

PROJECT DESCRIPTION REGENER PLACE

The project described below and all work performed to achieve the project shall be completed pursuant to a Project Labor Agreement.

Overview

Regester Place is a mixed-use development consisting of a parking facility, hotel, commercial space and residential dwelling units. This innovative vision resulted when the Redevelopment Commission requested a creative redevelopment of the Regester Parking Garage.

Parking Structure

Located in the center of the block, the parking structure is approximately 180,000 square feet. It will accommodate about 552 automobiles, including eleven spaces for accessible parking. With entrances on Seventh and Morton Streets, the single helix, cast in place structure uses two way traffic and perpendicular parking for easy way-finding efficiency. For pedestrians, an elevator and stairway are located in the southeast corner, served conveniently by the public pedestrian way adjacent to the Graham Plaza. A second stair is located at the northwest corner of the garage. Immediately east of the garage is space for bicycle parking and landscaped site amenities. The primary, exposed, façade of the garage at Seventh Street will be treated with modest architectural details to compliment the architecture of the adjacent buildings. The City of Bloomington will manage operation of the garage.

Residential Buildings

The residential component consists of two (2) buildings that wrap the parking structure on two sides. Containing an approximate total of 76 individual units, the buildings primarily front Sixth and Morton Streets, with some frontage on 7th Street.

One structure is located at the corner of Sixth and Morton Streets. Approximately 8,000 square feet on the ground floor provides commercial and retail opportunities, accessed from Sixth Street and Morton Street. The upper floors contain about 52 residential units, accessed via a central elevator and stair core from the Morton Street entrance.

The second structure is located along Morton Street, spanning to Seventh Street. The 5,500 square foot ground floor provides commercial, retail or residential opportunities, accessed from Morton Street and Seventh Street. The upper floors contain approximately 24 residential units, accessed via a main hallway that connects to the elevator/stair core.

To compliment the architecture of downtown Bloomington and the adjacent Showers area, the primary facades of the apartment buildings will be clad with brick, masonry and metal elements. Coupled with glazed storefronts for the commercial tenant space, this treatment will establish the

primary façade for the project. The body of the façade will be brick and metal. Subtle changes in brick color or bonding pattern will balance the proportions of the façade. These secondary materials, such as metal windows, stone trim and the like, will be employed to provide variety in the detailing and similarly relate to the surrounding context. The facades are articulated with a window rhythm that corresponds to the apartment function within - with larger areas of glass at the primary living spaces. Top floor units are treated with a modest change in materials to create visual interest in the building.

Hotel

Located on the corner of College and Seventh Streets, the hotel will anchor the northeast corner of the site with approximately 105 rooms. The restaurant, lobby, lounge, fitness center and other business functions will be on the first floor and below grade on 7th Street, and guest rooms will be on the upper floors. In use, size and proportion, the hotel is a complimentary building to the apartment buildings. As such, the primary facades will include architectural details of brick, architectural masonry, aluminum storefronts and windows, and other materials complimentary to the apartment buildings.

CROSS REFERENCES:

EXHIBIT C

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is executed by the parties hereto on the 2nd day of December, 2004, to evidence their execution of a certain Hotel Land Ground Lease dated December 2, 2004 (the "Lease").

1. The name of the landlord ("Landlord") is The City of Bloomington, Indiana, Redevelopment Commission with an address of 401 N. Morton Street, Bloomington, IN 47401
2. The name of the tenant ("Tenant") is BLOOMHOTEL, LLC with an address of 11711 N. Pennsylvania St., Suite 200, Carmel, IN 46032-4539
3. The property demised by the Lease consists of the real property more particularly described on Exhibit A as per plat thereof, recorded February 11, 2003 as Instrument No. 2003003623 in the Office of the Recorder of Monroe County, Indiana and all easements rights' and appurtenances thereto (the "Leased Premises").
4. The original term of the Lease is for a period commencing on 1/31/03, and ending on January 30, 2053.
5. The Lease grants to Tenant the option to extend the term of the Lease for five (5) additional successive period(s) of ten (10) years each, as more particularly set forth in the Lease.

This Memorandum of Lease is executed solely for the purpose of giving notice to third parties of the existence of the Lease and certain terms thereof. Reference is made to the Lease which contains a full description of the rights and duties of Landlord and Tenant and the terms, conditions, provisions and limitations on the use and occupancy of the Leased Premises. This Memorandum of Lease (or description of certain of such rights, duties, conditions and limitations) shall in no way or under any circumstances affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed as of the date set forth above.

LESSOR:

THE REDEVELOPMENT COMMISSION
of the City of Bloomington, Indiana

By:



David Walter, President

LESSEE:

BLOOMHOTEL, LLC
an Indiana limited liability company

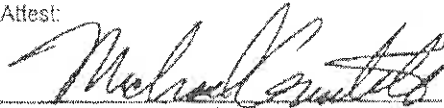
By:



Printed: MICHAEL W WELLS

Title: PRES OF MCR

Attest:



Michael Gentile, Secretary

STATE OF INDIANA)

) SS:

COUNTY OF MONROE)

David Walter and Michael Gentile, the President and Secretary, respectively of the City of Bloomington, Indiana Redevelopment Commission personally appeared before me, a Notary Public, in and for said County and State on the 28th day of Oct, 2004 and for and on behalf of said Commission acknowledged the execution of the foregoing Hotel Land Ground Lease as their voluntary act and deed.

My Commission Expires: 1/28/04

Notary Public:



County of Residence: Monroe

(Name Printed)

Janet E Roberts

STATE OF INDIANA)

) SS:

COUNTY OF MONROE)

MICHAEL W. WELLS of BLOOMHOTEL, LLC
Indiana limited liability company personally appeared before me, a Notary Public, in and for said
County and State on the 2nd day of December, 2004, and for and on behalf of said
limited liability company acknowledged the execution of the foregoing document as
his/her voluntary act and deed.

My Commission Expires: 4/27/07

Notary Public:



County of Residence: Monroe

(Name Printed)

Shelley M Puckett

This instrument prepared by Karl P. Haas, Wallack Somers & Haas, P.C., One Indiana Square, Suite
1500, Indianapolis, Indiana 46204.

EXHIBIT E

Parking Agreement

2009000814 ASGN \$33.00
01/21/2009 01:18:49P 10 PGS

Monroe County Recorder IN
Recorded as Presented

Prepared By:
Recording requested by ~~and when recorded mail to:~~
Arent Fox LLP
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036
Attention: Gerard Leval, Esq.

WHEN RECORDED RETURN TO:
LANDAMERICA COMMERCIAL SERVICES
140 EAST WASHINGTON ST.
INDIANAPOLIS, IN. 46204
CASE NO. 08-003706

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

ASSIGNOR'S NAME AND ADDRESS:	ASSIGNEE'S NAME AND ADDRESS:
Bloomhotel, LLC c/o White Lodging Services Corporation 1000 East 80 th Place Suite 700 North Merrillville, IN 46410	RLJ II- HG Bloomington, LLC c/o RLJ Capital Partners II, LLC 3 Metro Center Suite 1000 Bethesda, MD 20814

ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE AND AGREEMENT TO LEASE PARKING SPACES

THIS ASSIGNMENT AND ASSUMPTION OF HOTEL LAND GROUND LEASE
AND AGREEMENT TO LEASE PARKING SPACES ("Assignment") is made as of this 8th
day of Jan., 2009, by and between Bloomhotel, LLC, an Indiana limited liability
company ("Assignor"), and RLJ II - HG Bloomington, LLC, a Delaware limited liability
company ("Assignee").

RECITALS

A. Assignor and RLJ Lodging Fund II Acquisitions, LLC ("Fund") are parties to that certain New Hotels Purchase and Sale Agreement ("Purchase Agreement"), dated as of March 16, 2006, for the improved real property commonly known as the Bloomington Hilton Garden, pursuant to which Assignor has agreed to convey to the Fund, among other things, its leasehold estate in the real property and the improvements located thereon ("Hotel Property"), as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with Assignor's leasehold interest in the parking spaces listed on Exhibit B attached hereto and incorporated herein by this reference, together with the right in common with others to use the Common Areas (as defined in the Parking Agreement, hereinafter defined) (collectively, "Parking Space Property"), which Parking Space Property is located in the garage located on the property more particularly described on Exhibit C attached hereto and incorporated herein by this reference ("Parking Garage Property"). The Hotel Property and the Parking Space Property are collectively referred to herein as "Ground Lease Property");

B. The Fund assigned its rights and obligations under the Purchase Agreement to acquire the Ground Lease Property to Assignee pursuant to that certain Assignment and Assumption of Rights to Purchase Real Property, dated as of January 7, 2009;

C. Assignor is the current lessee under that certain Hotel Land Ground Lease, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, Redevelopment Commission, as lessor ("Ground Lease"), a memorandum of which Ground Lease is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026242 and incorporated herein by this reference;

D. Assignor is the current lessee under that certain Agreement to Lease Parking Spaces, dated December 2, 2004, by and between Assignor, as lessee, and The City of Bloomington, Indiana, as lessor ("Parking Agreement"), a memorandum of which Parking Agreement is recorded with the Office of the Recorder of Monroe County, Indiana as Instrument Number 2004026244 and incorporated herein by this reference. The Parking Agreement and the Ground Lease are hereinafter collectively referred to as the "Ground Lease Documents"; and

E. Assignor desires to assign, transfer, sell, convey, grant and deliver all of its right, title and interest in and to the Ground Lease Documents to Assignee in connection with the consummation of the purchase and sale of the Ground Lease Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Recitals. The foregoing recitals are correct and complete and are incorporated herein by this reference.
2. Effective Date. The "Effective Date" is defined to be the date hereof.
3. Assignment. Effective on the Effective Date, Assignor hereby assigns, sells, transfers, grants, delivers and conveys to Assignee all of Assignor's right, title and interest as lessee in, to and under the Ground Lease Documents and the Ground Lease Property.
4. Acceptance. Effective on the Effective Date, Assignee hereby accepts said assignment, sale, transfer and conveyance and assumes and agrees to keep, perform and be bound by all of the terms, covenants, conditions and obligations which are required to be performed by Assignor under the Ground Lease Documents from and after the Effective Date.
5. Indemnification. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) arising under the Ground Lease Documents and resulting from any events or from any acts or omissions of Assignee relating to the Ground Lease Documents accruing from and after the Effective Date. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from and against any and all claims, damages, costs, liabilities and causes of action (including reasonable attorneys' fees and costs) resulting from any events or from any acts or omissions of Assignor relating to the Ground Lease Documents accruing prior to the Effective Date.

6. Modification. No modification, waiver, amendment, discharge or change of this Assignment shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and assigns.

8. Governing Law. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana.

9. Attorneys' Fees. Should any dispute occur between Assignor and Assignee, with respect to this Assignment or any document executed in connection herewith, which results in litigation, the losing party or parties shall pay the prevailing party or parties their respective reasonable attorneys' fees and costs at trial and upon any appeal.

10. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Assignment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BLOOMHOTEL, LLC,
an Indiana limited liability company

By: REI Real Estate Services, LLC

By: Jeffrey S. Sporleder
Jeffrey S. Sporleder,
Chief Financial Officer

STATE OF INDIANA)
) SS:
MARION COUNTY)

I, Betsy A. Wall, a Notary Public in and for the said jurisdiction, do hereby certify that Jeffrey S. Sporleder, of REI Real Estate Services, LLC, a Managing Member of Bloomhotel, LLC, an Indiana limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of Bloomhotel, LLC.

Given under my hand and seal this 16th day of December, 2008.

Betsy A. Wall
Notary Public

My Commission Expires: 7-17-16

[Signature Pages Follow]



IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ASSIGNEE:

RLJ II - HG BLOOMINGTON, LLC,
a Delaware limited liability company


By: 

Thomas J. Baltimore, Jr.
President

STATE OF MARYLAND)
) SS:
COUNTY OF MONTGOMERY)

I, Marc Moorman, a Notary Public in and for the said jurisdiction, do hereby certify that Thomas J. Baltimore, Jr., President of RLJ II - HG Bloomington, LLC, a Delaware limited liability company, party to a certain Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces hereto annexed, personally appeared before me in said jurisdiction, the said individual being personally well known to me as the person who executed the said Assignment and Assumption of Ground Lease and Agreement to Lease Parking Spaces, and acknowledged the same to be his act and deed on behalf of RLJ II - HG Bloomington, LLC.

Given under my hand and seal this 5th day of January, 2009.


Notary Public

[NOTARIAL SEAL]

My Commission Expires:

MARC MOORMAN
Notary Public
STATE OF MARYLAND
My Commission Expires 10-24-12

EXHIBIT A

Description of Hotel Property

Real estate in Monroe County, Indiana, more particularly described as follows, to-wit:

A part of Lots 223, 224, 265, 266 and the 12' platted alley between said lots, all in the Original Town of Bloomington Plat as recorded in Plat Book A, page 5 (Plat Cabinet B, Envelope 1) Office of Recorder of Monroe County, Indiana, described as follows:

Beginning at the Northeast corner of said Lot 265; thence SOUTH 00 degrees 25 minutes 34 seconds East (basis of bearings), along the West right-of-way line of North College Avenue, same being the East line of Lots 265, 266 said 12' alley, and Lot 224, 187.57 feet to the North wall of Graham Plaza Building; thence SOUTH 89 degrees 28 minutes 00 seconds West, leaving said College Avenue right-of-way and crossing Lot 224 and into said Lot 223 and along said North wall of Graham Plaza Building, 116.45 feet; thence NORTH 00 degrees 25 minutes 51 seconds West, crossing Lot 223 and the 12' alley and Lots 266 and 265 and along the East wall of a parking garage, 187.92 feet to the South right-of-way line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds East, along said South line of West 7th Street, 116.47 feet to the point of beginning.

EXHIBIT B

List of Parking Spaces

1. 335
2. 336
3. 337
4. 338
5. 339
6. 340
7. 341
8. 342
9. 343
10. 344
11. 345
12. 346
13. 347
14. 348
15. 349
16. 350
17. 359
18. 360
19. 361
20. 362
21. 363
22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

EXHIBIT C

Description of Parking Garage Property

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.99 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 193.99 feet to the Point of Beginning, containing 0.557 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

In accordance with JC 36-2-11-15, I affirm, under penalty of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

M. Jay Yurow (by me)
Signature of Preparer

M. Jay Yurow
Printed Name of Preparer

AGREEMENT TO LEASE PARKING SPACES

~~December~~ This Agreement to Lease Parking Spaces (the "Agreement") is executed as of the 2nd day of ~~November~~, 2004, by and between The City of Bloomington, Indiana (the "City"), and Bloomhotel, LLC ("Bloom").

1. **Definitions.** Capitalized terms used in this Agreement shall have the meanings ascribed to such terms in this Section.

Accepted Spaces shall mean the number of Allotted Spaces that have been accepted by Bloom for use in any given Annual Period.

Adjustment Notice shall mean a written notice from Bloom to the City delivered by May 1 of a given year during the Term and specifying: (a) the increased or decreased number of Accepted Spaces for use in the following Annual Period; and (b) in the case of: (i) an increase, which of the Allotted Spaces Bloom is adding; or (ii) a decrease, which of the Allotted Spaces Bloom is relinquishing.

Allotted Spaces shall mean the 35 designated Spaces that have been allotted for use by Bloom and its Guests, which Spaces shall be in the locations shown on Exhibit A.

Alterations shall mean alterations, improvements, additions, changes, or modifications to or of the Accepted Spaces.

Annual Period shall mean: (a) the initial period from the Usage Commencement Date to the following July 31; (b) each succeeding period of one year during the Term that commences on August 1, and ends on the following July 31; and (c) the final period of August 1, 2033, to December 10, 2033.

Bloom Default shall have the meaning set forth in Subsection 11(a).

Casualty Damage shall mean damage to, or destruction of, the Garage by fire or other casualty.

City Agency shall mean an agency, authority, instrumentality, and/or office of the City, as applicable.

City Default shall have the meaning set forth in Subsection 11(c).

Commencement Notice shall mean a written notice from Bloom to the City delivered not later than May 1, 2005, and specifying the initial number of Accepted Spaces.

Common Areas shall mean the areas in and around the Garage intended for common use or as common areas, which areas shall include, without limitation, entrances, exits, lobbies, ramps, drive lanes, toilet facilities, stairs, and elevators.

Condemnation shall mean that all or a part of the Garage is: (a) taken or condemned for public or quasi-public use under any statute or by the right of eminent domain; or (b) conveyed to a public or quasi-public body under threat of condemnation.

Cure Period shall mean, except in the case of a Wrongful Exclusion, a period of 30 days from the date that the defaulting party receives notice of a failure: (a) by Bloom to pay any amount of Rent; or (b) by the City to perform any of its obligations under this Agreement; provided that: (a) if such failure by the City is of a nature that it reasonably cannot be corrected within such 30 days, then the Cure Period shall continue so long as the City: (i) commences to correct such failure within 15 days after receipt of notice thereof; and (ii) diligently pursues such correction to completion; and (b) in the case of a Wrongful Exclusion, there shall be no cure period.

Default shall mean a City Default or a Bloom Default, as applicable.

Default Rate shall mean the prime rate, as reported in the Wall Street Journal or its successor publication, plus 5%.

Equipment Failure shall mean a failure of the equipment allowing entrance to and/or exit from the Garage, which equipment shall include, without limitation, ticket machines, card readers, gates, and arms.

Force Majeure shall mean: (a) an act by Bloom; or (b) any other cause not within the reasonable control of the City (including, without limitation, unusually inclement weather, the unusual unavailability of materials, equipment, services, or labor, and utility or energy shortages or acts or omissions of public utility providers); that results in the inability of the City to timely perform any obligation required by this Agreement to be performed by it.

Garage shall mean that certain parking garage located on the Real Estate, as depicted on Exhibit B.

Guests shall mean guests, patrons, invitees, licensees, employees, contractors, and agents of Bloom.

Hotel Land shall mean that certain real estate described and/or depicted on Exhibit C.

Hotel Lease shall mean that certain lease of the Hotel Land of even date herewith executed by and between The City of Bloomington, Indiana, Redevelopment Commission and Bloom.

Laws shall mean all applicable laws, statutes, and/or ordinances, and any applicable governmental rules, regulations, guidelines, orders, and/or decrees.

Leasehold shall mean the leasehold interest of Bloom in and to the Hotel Land pursuant to the Hotel Lease.

Mercury shall mean Mercury Development Group, LLC.

Mortgagee Cure Period shall mean a period of 60 days, commencing on the date that the Cure Period expires, during which any Mortgage Lender to which the City is obligated to deliver notice pursuant to Section 17 shall have the option to cure a Bloom Default.

Mortgage Lender shall mean any lender of Bloom's that holds a Mortgage Lien.

Mortgage Lien shall mean the lien of any mortgage, or any other method of financing or refinancing in effect with respect to the Hotel Land and the Leasehold.

Mortgage Successor shall mean a Mortgage Lender, a receiver appointed at the request of a Mortgage Lender, a purchaser at a foreclosure sale, or a party to which the Leasehold is transferred by an assignment in lieu of foreclosure, and their successors and assigns.

Operational Plan shall mean that certain plan for the day-to-day operation of the Garage, which, when completed and approved, shall be attached hereto as Exhibit D.

Operating Lease shall mean that certain Regester Parking Garage Operating Lease executed by and between Mercury and the City of Bloomington Redevelopment Commission and dated December 11, 2003.

Real Estate shall mean that certain real estate described and/or depicted on Exhibit B.

Real Estate Taxes shall mean: (a) real estate taxes and assessments of any nature; and (b) any taxes or charges levied or made in partial or complete substitution for, or replacement of, real estate taxes.

Rent shall mean, for each month of the Term, an amount equal to: (a) the "City Ordinance Rate", as: (i) in effect from time to time; and (ii) generally applicable to first-come, first-served parking spaces available to the general public in municipal public parking garages located in Bloomington, Indiana; multiplied by (b) the number of Accepted Spaces; provided that, if the "City Ordinance Rate" differs based on hourly use, daily use, monthly use, or otherwise, then Bloom shall be afforded the benefit of the lowest rate, adjusted by multiplying: (a) such lowest rate; by (b) the appropriate unit of time, whether hourly, daily, or otherwise; as necessary to reflect the application of such rate to an entire month of usage.

Replacement Garage shall mean a parking facility on the Real Estate that: (a) replaces the Garage; and (b) is constructed by authorization of, and operated by, a City Agency.

Replacement Spaces shall mean either: (a) Spaces other than the Allotted Spaces; or (b) to the extent that there are insufficient Spaces other than the Allotted Spaces, parking spaces in a municipal public parking facility in close proximity to the Hotel Land; with which the Accepted Spaces are replaced in the event of a Casualty or Condemnation; provided that, any Replacement Spaces located outside the Garage shall be subject to the reasonable approval of Bloom.

Reserved Signs shall mean signs specifying that the Accepted Spaces are reserved for use by Bloom and its Guests.

Rules shall mean all reasonable written rules and regulations delivered from time to time by the City to Bloom with respect to use of the Garage; provided that such rules and regulations: (a) are of general applicability to all members of the general public; and (b) do not diminish Bloom's rights (including, without limitation, its rights to direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week), or increase Bloom's obligations, under this Agreement.

Spaces shall mean standard automobile parking spaces in the Garage.

Spaces Condemnation shall mean a Condemnation that includes some or all of the Allotted Spaces, regardless of whether such Condemnation renders the Garage unsuitable for continued operation as a public parking garage.

Sublease Agreement shall mean that certain agreement entered into, or to be entered into, by and between Bloom and Mercury pursuant to which Bloom has, or shall have, the right to sublease up to 35 Spaces from Mercury.

Term shall mean the term of this Agreement, as provided in Section 3.

Termination Date shall mean the date on which: (a) the Term expires; or (b) this Agreement otherwise is terminated in accordance with its terms and conditions.

Usage Commencement Date shall mean the first date on which Bloom commences use of any or all of the Spaces, which date shall be January 1, 2006.

Wrongful Exclusion shall mean that Bloom or its Guests are excluded from access to, or precluded from use of, any Accepted Space either: (a) on more than two occasions in any 60 day period; or (b) on any one occasion, if the exclusion or preclusion lasts for more than four hours; in any case except in the event of Casualty Damage, Condemnation, Force Majeure, or an Equipment Failure that is addressed and corrected in accordance with the Operational Plan.

2. **Lease.** The City hereby leases to Bloom, and Bloom hereby leases from the City, the Allotted Spaces for use 24 hours per day, seven days per week, by Bloom and its Guests. Bloom shall have the right, in common with all other parties using the Garage and subject to the Laws and the Rules, to use the Common Areas. The City shall operate and maintain the Common Areas for common use by parties parking vehicles

in the Garage, including Bloom and its Guests; provided that the City shall operate and maintain the Common Areas so that Bloom and its Guests are provided with direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week.

3. **Term.** The Term shall: (a) commence on the date hereof; and (b) end on December 10, 2033; provided that, if: (a) the Operating Lease is: (i) extended or renewed, or (ii) replaced with a new parking lease or usage agreement that succeeds the Operating Lease; then Bloom shall have the option to extend the Term so that it ends on the same day as: (i) the Operating Lease, as extended or renewed; or (ii) the replacement lease or agreement; as the case may be; and/or (b) Mercury conveys ownership of the Garage to the City, which conveyance is contemplated by Section 3.1 of the Operating Lease, then, as of December 11, 2033: (i) the number of Allotted Spaces shall increase to 70; (ii) Bloom and the City shall modify Exhibit A to show the location of the additional 35 Allotted Spaces; (iii) the Term automatically shall be extended until December 10, 2044, without any notice from, or action by, Bloom; and (iv) thereafter the Term automatically shall be extended for four additional and consecutive periods of 10 years each, without any notice from, or action by, Bloom, so long as, on the date of each such additional extension: (A) the Garage or a Replacement Garage is being operated on the Real Estate; (B) the Hotel Lease remains in effect; and (C) a hotel is being operated on the Hotel Land.

4. **Rent.** Until the Usage Commencement Date, Bloom shall not be obligated to pay Rent. Commencing on the Usage Commencement Date, and continuing throughout the Term, Bloom shall pay Rent monthly, in advance on or before the first day of each full and partial calendar month during the Term; provided that: (a) if the Usage Commencement Date or the Termination Date is a date other than the first day or the last day of a calendar month, respectively, then the Rent payable for such partial calendar month shall be the amount of the Rent in effect on the Usage Commencement Date or the Termination Date, respectively, computed on a daily basis; and (b) the Rent for any partial calendar month at the commencement of the Term shall be payable on the first day of the first full calendar month during the Term.

5. **Adjustment.** Bloom may change the number of Accepted Spaces as of the first day of each Annual Period by delivering an Adjustment Notice to the City no later than May 1 of the preceding Annual Period. At any time when Bloom decreases the number of Accepted Spaces, Bloom shall remove the Reserved Signs from the Spaces that no longer are within the Accepted Spaces; provided that, if, at a subsequent date, any such Spaces again become Accepted Spaces, Bloom may re-affix its Reserved Signs.

6. **Services.**

(a) **Maintenance.** The City, at its cost and expense, shall perform, or to cause to be performed, all maintenance, repair, and replacement of the Garage (including, without limitation, the Allotted Spaces and the Common Areas), so that: (i) the Garage is in good condition and repair, ordinary wear and tear excepted; and (ii) Bloom and its Guests are provided with direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week. Bloom shall have no obligations with respect to the maintenance, repair, and/or replacement of any portion of the Garage.

(b) **Services.** The City, at its cost and expense, shall provide all utilities, lighting, ventilation, janitorial, and other services required for proper use of the Garage, including, without limitation, that the City shall keep the Garage properly lit and ventilated 24 hours per day, seven days per week.

(c) **Taxes.** If, at any time, Real Estate Taxes are assessed against the Real Estate or the Garage, the City shall pay all such Real Estate Taxes when due.

(d) **Plan.** The City, at its cost and expense, shall operate the Garage in compliance with the Operational Plan which shall be: (i) drafted in consultation with Bloom; (ii) subject to the reasonable approval of Bloom; (iii) be completed prior to completion of construction of the hotel to be constructed on the Hotel Land; and (iv) when completed and approved, attached

hereto as Exhibit D. As circumstances change such that amendments to the Operational Plan are required, the City: (i) may amend the Operational Plan to reflect the changed circumstances; provided that each such amendment is commercially reasonable and does not diminish Bloom's rights (including, without limitation, its rights to direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week), increase Bloom's obligations, or diminish the City's obligations, under this Agreement; and (ii) shall provide a copy of each fully executed amendment to Bloom.

7. Alterations.

(a) Hotel Entity. Bloom shall not make any Alterations. Bloom shall not affix, or cause to be affixed, to any portion of the Garage any sign, insignia, advertisement, notice, or decoration without the prior written consent of the City; provided that: (i) Bloom may affix Reserved Signs to the wall behind the Accepted Spaces; and (ii) the cost of fabricating, installing, maintaining, and removing the Reserved Signs shall be the responsibility of Bloom.

(b) City. The City shall not make: (i) any alterations to the structure of the Garage without Bloom's prior written consent; or (ii) any alterations to the Garage, the result of which would interfere with providing Bloom and its Guests direct and convenient pedestrian and vehicular access to the Accepted Spaces 24 hours per day, seven days per week.

8. Insurance.

(a) Casualty. The City, at its cost and expense, shall maintain in full force and effect throughout the Term fire and extended coverage insurance on the Garage for at least 100% of its insurable value on a replacement cost basis.

(b) Liability. The City, at its cost and expense, shall maintain during the Term general public liability and property damage insurance covering any and all claims for injuries to, or death of, persons, and damage to, or loss of, property, occurring in, on, or about the Garage in the amounts of not less than: (i) \$1,000,000.00 for injury to, or death of, more than one person in the same accident or occurrence; (ii) \$1,000,000.00 for injury to, or death of, any one person; and (iii) \$1,000,000.00 for property damage or loss arising out of any one accident or occurrence. The policies of insurance required by this Subsection may be maintained under a blanket policy of insurance.

9. Casualty. If there is Casualty Damage, then: (a) this Agreement shall continue in full force and effect; and (b) the City promptly shall repair and/or restore the Garage to substantially the same condition as existed prior to the Casualty Damage. If, as a result of the Casualty Damage, Bloom is unable to use any or all of the Accepted Spaces, then, until Bloom is able to use all of the Accepted Spaces: (a) if there are other usable Spaces in the Garage, then the City shall replace the unusable Accepted Spaces space for space with Replacement Spaces; and (b) Bloom shall pay Rent only with respect to: (i) the usable Accepted Spaces; and (ii) the Replacement Spaces.

10. Condemnation. If there is a Condemnation, then, to the extent possible, the City promptly shall perform such repairs and/or replacements to the remainder of the Garage as are necessary so that the remainder of the Garage may be used as a public parking facility. If the Condemnation constitutes a Spaces Condemnation, then the City shall replace the resulting unusable Accepted Spaces space for space with Replacement Spaces; and (b) Bloom shall pay Rent only with respect to: (i) the usable Accepted Spaces; and (ii) the Replacement Spaces. To the extent that the Replacement Spaces are located outside the Garage, the terms and conditions of this Agreement shall be: (a) applicable to such Replacement Spaces; and (b) deemed to be modified to the extent required to be applicable to such Replacement Spaces.

11. Defaults and Remedies.

- (a) **Bloom Default.** It shall be a "Bloom Default" if Bloom fails to pay any amount of Rent when due, and such failure continues beyond the Cure Period.
- (b) **City Remedies.** If there is a Bloom Default, then, subject to the terms and conditions of Section 17, the City may:
- (i) commence a suit at law to recover any overdue Rent; and/or
 - (ii) reclaim the Accepted Spaces, and refrain from leasing any Allotted Spaces to Bloom until such time as Bloom has paid to the City an amount equal to 150% of all overdue Rent, together with interest on the entirety of such amount at the Default Rate from the date that the overdue Rent first became due until the date paid.
- (c) **City Default.** It shall be a "City Default" if: (i) the City fails to perform any of its obligations under this Agreement, and such failure continues beyond the Cure Period; or (ii) there is a Wrongful Exclusion.
- (d) **Hotel Entity Remedies.** If there is a City Default, then Bloom may:
- (i) enjoin the failure, or specifically enforce the performance, of the obligation that the City has failed to perform; and
 - (ii) perform the obligation that the City has failed to perform; provided that the performance by the City of such obligation shall not be construed to be a waiver of the City Default;

provided that, if there is a Wrongful Exclusion, then, in addition to the foregoing remedies, Bloom may offset against Rent an amount determined by multiplying: (i) the number of Accepted Spaces from which access is excluded or of which use is precluded; by (ii) 150% of the Rent attributable to such Accepted Spaces; together with interest on the entirety of such amount at the Default Rate for the period during which the Wrongful Exclusion continues.

- (e) Fees. The non-defaulting party may recover from the defaulting party all: (i) damages incurred by such party by reason of a Default; and (ii) costs and expenses incurred in connection with exercising its rights and remedies with respect to such Default, together with interest thereon at the Default Rate.
- (f) No Waiver. Neither: (i) a waiver by a non-defaulting party of a Default; nor (ii) an exercise by a non-defaulting party of any right or remedy with respect to a Default; shall be deemed either to: (i) constitute a waiver of any subsequent Default; (ii) release or relieve the defaulting party from performing any of its obligations under this Agreement; or (iii) constitute an amendment or modification of this Agreement. The rights and remedies hereunder are cumulative, and no: (i) right or remedy shall be deemed to be, or construed as, exclusive of any other right or remedy hereunder; or (ii) failure to exercise any right or remedy shall operate to prevent the subsequent exercise of such right or remedy.

12. **Surrender.** On the Termination Date, Bloom shall: (a) remove all Reserved Signs; and (b) surrender the Accepted Spaces to the City.

13. **Quiet Enjoyment.** The City represents and warrants that it has full right and authority to enter into this Agreement, subject to all restrictions of record. The City agrees that, if Bloom observes all of the terms

and conditions of, and performs all of its obligations under, this Agreement, then, at all times during the Term, Bloom shall have the peaceable and quiet enjoyment of possession of the Accepted Spaces, without any manner of hindrance from parties claiming under, by, or through the City.

14. **Notices.** Any notice or other communication required or permitted to be delivered under this Agreement shall be: (a) in writing; and (b) deemed to have been delivered; if delivery is made in person or by a national overnight courier service; addressed to the other party as follows: to the City at City of Bloomington Department of Public Works, P.O. Box 100, Bloomington, Indiana 47402; and to Bloom at 11711 North Pennsylvania Street, Suite 200, Carmel, Indiana 46032, Attention: Michael W. Wells, with a copy to Karl P. Haas, Esq., Wallack Somers & Haas, One Indiana Square, Suite 1500, Indianapolis, Indiana 46204. Either party may change its address for notice from time to time by delivering notice to the other party as provided above.

15. **Assignment.**

(a) **Hotel Entity.** Bloom shall not: (i) assign this Agreement or any interest herein; or (ii) sublet any or all of the Accepted Spaces; in either case without the prior written consent of the City. The consent of the City to any assignment or subletting shall not constitute a waiver of the requirement for such consent to any subsequent assignment or subletting. Notwithstanding the foregoing, Bloom may: (i) assign this Agreement in connection with any permitted assignment of the Hotel Lease; (ii) assign this Agreement to any Mortgage Lender or Mortgage Successor; (iii) sublet any or all of the Accepted Spaces to Mercury Development, LLC, and its successors and assigns; and/or (iv) by license or other right, permit the Guests to use the Accepted Spaces; in any case without the prior written consent of the City.

(b) **City.** The City may assign this Agreement and convey the Garage to another agency or instrumentality of the City that has the power and authority to accept an assignment of this Agreement and carry out the obligations of the City hereunder. Otherwise, the City shall not assign this Agreement or convey the Garage without the prior written consent of Bloom.

(c) **No Release.** Notwithstanding any assignment permitted under this Section, the City or Bloom, as the case may, shall remain liable to perform all of the terms and conditions to be performed by it under this Agreement, and the approval by the other party of any assignment shall not release the City or Bloom, as the case may be, from liability for such performance; provided that: (i) Bloom shall be released from liability under this Agreement for all obligations to be performed after the date of assignment if Bloom assigns this Agreement either: (A) in connection with any assignment of the Hotel Lease; or (B) to any Mortgage Lender or Mortgage Successor; and (ii) if the City assigns this Agreement to another agency or instrumentality of the City that: (A) has full power and authority to accept an assignment of this Agreement and carry out the obligations of the City hereunder; and (B) expressly assumes the obligations of the City under this Agreement; then the City shall be released from liability under this Agreement for all obligations to be performed after the date of such assignment and assumption.

16. **Indemnity.** Each of the City and Bloom shall indemnify and hold harmless the other from and against all claims, judgments, liabilities, losses, costs, and expenses (including, without limitation, reasonable attorneys' fees and court costs) arising from, or in connection with: (a) the failure of the City or Bloom, respectively, to perform any of its obligations under this Agreement, or otherwise comply with the terms and conditions of this Agreement, and the exercise by the other party of its rights and remedies with respect to such failure; and (b) its gross negligence or willful misconduct.

17. **Mortgage Protections.**

(a) Notice. Notwithstanding any Bloom Default, the City shall not exercise any of its rights and remedies with respect thereto unless and until: (i) the City has delivered written notice of such Bloom Default to all Mortgage Lenders, which notice shall be delivered in accordance with the terms and conditions of Section 14; and (ii) Bloom Default remains uncured at the expiration of the Mortgage Cure Period. No notice by the City to Bloom specifying any failure by Bloom to perform shall be deemed to have been properly given unless and until a copy of the notice has been sent each Mortgage Lender.

(b) Cure Right. Each Mortgage Lender shall have the right, but not the obligation, at any time and without payment of any penalty, to pay any of the Rent or perform any other obligation of Bloom under this Agreement, and such payment or performance, as applicable, shall be accepted by the City as it would have been if such payment or performance had been by Bloom.

(c) Possession. If a Mortgage Successor takes possession of the Accepted Spaces, then the Mortgage Successor's liability under and with respect to this Agreement shall be limited to: (i) the amounts due and payable to the City for the unexpired balance of the Term; and (ii) observance or performance of any obligation or agreement on the part of Bloom first arising after the Mortgage Successor takes possession.

(d) Assignment. If a Mortgage Successor acquires possession of the Accepted Spaces and assumes the obligations of Bloom under the Hotel Lease, then, notwithstanding the provisions of Section 15 of this Agreement, the Mortgage Successor shall be permitted to assign this Agreement in connection with any assignment of the Hotel Lease. Any such assignment shall release the Mortgage Successor from liability for the performance of the obligations of Bloom under this Agreement.

(e) Instruments. The City and Bloom shall cooperate in providing any additional amendment, instrument, or document reasonably required by a Mortgage Lender or that may otherwise be necessary or expedient to implement the terms and conditions of this Section; provided that no such amendment, instrument, or document shall extend the term of this Agreement beyond the Term or adversely affect the City's rights hereunder.

18. City Consent.

(a) Sublease Agreement. The City acknowledges, and consents to, the Sublease Agreement.

(b) Subleased Spaces. At such times as Bloom is subleasing Spaces from Mercury pursuant to the Sublease Agreement, the City and Bloom shall treat the subleased Spaces as though Bloom had leased such Spaces directly from the City pursuant to this Agreement; provided that: (i) Mercury shall be responsible for paying all rent due and payable with respect to the subleased Spaces; and (ii) notwithstanding anything to the contrary set forth herein, Bloom shall have no obligation to the City with respect to rent due and payable for the subleased Spaces.

(c) Termination. If, during the Term, Mercury's rights with respect to leasing Spaces pursuant to the Operating Lease are terminated, then this Agreement shall be amended to add 35 additional Spaces to the definition of Allotted Spaces, and, as part of such amendment, there shall be a replacement Exhibit A that shows the location of the original and the newly added Allotted Spaces.

19. Miscellaneous.

(a) Transient Spaces. In addition to leasing the Allotted Spaces to Bloom, the City at all times shall operate the Garage in such a manner so that there are a minimum of 60 "transient" Spaces that are: (i) neither reserved nor leased or licensed to monthly parkers; and (ii) available for use by the general public on a "first come-first served" basis 24 hours per day, 365 days per year, at a rate not to exceed the "City Ordinance Rate" in effect from time to time.

(b) Operating Lease. The City shall not act in any manner with respect to the Operating Lease that would materially and adversely affect the rights of Bloom under this Agreement (including, without limitation, waiving, releasing, delaying, or deferring Mercury conveying ownership of the Garage to the City as provided in Section 3.1).

(c) Memorandum. The parties shall record a Memorandum of Agreement in the form attached hereto as Exhibit E.

(d) Validation. Prior to completion of construction of the hotel to be constructed on the Hotel Land: (i) the City and Bloom shall determine a validation program or other procedure whereby Guests may park in the Accepted Spaces without charge to such Guest; and (ii) the terms of such program or procedure shall be added to the Operational Plan.

(e) Prior Agreements. This Agreement shall not be amended, modified, or supplemented, except by a written agreement executed by both the City and Bloom. This Agreement may be executed in separate counterparts, each of which shall be an original, but all of which together shall constitute but one and the same instrument.

(f) Construction. Whenever in this Agreement a singular word is used, it also shall include the plural wherever required by the context and vice versa. This Agreement shall be construed in accordance with the laws of the State of Indiana. The captions of this Agreement are for convenience only and do not in any way limit or alter the terms and conditions of this Agreement. The invalidity or unenforceability of any term or condition of this Agreement shall not affect the other terms and conditions, and this Agreement shall be construed in all respects as if such invalid or unenforceable term or condition had not been contained herein. All exhibits referenced herein are attached hereto and incorporated herein by reference.

(g) Successors. Subject to the terms and conditions of Section 15, and except as otherwise expressly provided herein, this Agreement, and all of the terms and conditions hereof, shall: (i) inure to the benefit of; and (ii) be binding upon; the respective heirs, executors, administrators, successors, and assigns of the City and Bloom. All indemnities set forth in this Agreement shall survive the Termination Date.

(h) Authority. Each person executing this Agreement represents and warrants that: (i) he or she has been authorized to execute and deliver this Agreement by the entity for which he or she is signing; and (ii) this Agreement is the valid and binding agreement of such entity, enforceable in accordance with its terms.

IN WITNESS WHEREOF, the City and Bloom have executed this Agreement on the day and year first written above.

CITY:

THE CITY OF BLOOMINGTON, INDIANA

By: Julia Alonso

Printed: Julia Alonso

Title: Director of Public Works

HOTEL ENTITY:

BLOOMHOTEL, LLC

By: Michael W. W. W.

Printed: Michael W. W. W.

Title: PRES OF MGR

Index to Exhibits

Exhibit A	Depiction of Location of Allotted Spaces
Exhibit B	Depiction or Description of Real Estate and Garage
Exhibit C	Depiction or Description of Hotel Land
Exhibit D	Initial Operational Plan
Exhibit E	Form of Memorandum of Agreement



EXHIBIT A

Location of Allotted Spaces

The Allotted Spaces shall include Spaces numbered:

1. 335
2. 336
3. 337
4. 338
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22. 364
23. 365
24. 366
25. 367
26. 368
27. 369
28. 400
29. 401
30. 402
31. 403
32. 404
33. 405
34. 406
35. 407

EXHIBIT B

Legal Description for Garage Real Estate

Property located on West 7th Street, Lots 221-224, Lots 265-268, and the adjoining alleys all in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 125.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and crossing Lots 265, 266 and a 12 foot alley, and into Lot 223, 193.99 to the North face of the Graham Plaza Building; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, leaving Lot 223 and crossing a 12 foot alley and Lot 222 and into Lot 221, 125.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 221 and crossing a 12 foot alley and lots 268 and 267 and into West 7th Street, 103.99 feet to the Point of Beginning, containing 0.557 acres, more or less.

Subject to a stairwell easement for the parking garage on West 7th Street and Lot 267 in the City of Bloomington, Monroe County, Indiana; described as follows:

Commencing at the Northwest corner of Lot 267, Original Plat of Bloomington, same being on the South line of West 7th Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST (basis of bearings), along said South line of West 7th Street, same being the North line of said Lot 267, 34.21 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving the North line of Lot 267 and into West 7th Street, 6.00 feet to the Point of Beginning; thence NORTH 89 degrees 38 minutes 17 seconds EAST, 20.00 feet; thence SOUTH 00 degrees 21 minutes 43 seconds EAST, leaving WEST 7th Street and into Lot 267, 15.50 feet; thence SOUTH 89 degrees 38 minutes 17 seconds WEST, 20.00 feet; thence NORTH 00 degrees 21 minutes 43 seconds WEST, leaving Lot 267 and into West 7th Street, 15.50 feet to the Point of Beginning, containing 0.007 acres, more or less.

EXHIBIT C

Legal Description for Hotel Real Estate

A part of Lot 223, 224, 265 and 266, the Twelve (12) Foot Alley, all in the City of Bloomington, Monroe County, Indiana, described as follows:

BEGINNING at the Northeast corner of Lot 265, Original Plat of Bloomington; thence SOUTH 00 degrees 25 minutes 34 seconds EAST (basis of bearings) along the East line of Lots 265, 263 and 224, and the twelve (12) foot alley between, same being the West line of North College Avenue, 187.53 feet; thence SOUTH 89 degrees 35 minutes 34 seconds WEST leaving the West line of College Avenue and crossing Lot 224 and into Lot 223, 116.45 feet; thence NORTH 00 degrees 25 minutes 52 seconds WEST leaving Lot 223 and crossing said twelve (12) foot alley and Lots 266 and 265, 187.62 feet to the North line of Lot 265, same being the South line of West Seventh Street; thence NORTH 89 degrees 38 minutes 17 seconds EAST along the South line of West Seventh Street, same being the North line of Lot 265, 116.47 feet to the point of beginning, containing 0.502 acres, more or less.

This description subject to a 10' x 18' stair tower easement along the description's South line, per Deed Record 268, page 585.

EXHIBIT D

Operational Plan

To be added upon completion and approval of the parties.

EXHIBIT E

FORM OF MEMORANDUM OF AGREEMENT

This Memorandum of Agreement, executed this 2nd day of December, 2004, by and between The City of Bloomington, Indiana (the "City"), and Bloomhotel, LLC ("Bloom"). Witnesses:

Recitals

WHEREAS, the City and Bloom have entered into that certain Agreement to Lease Parking Spaces dated December 2, 2004 (the "Agreement"), pursuant to which the City leased to Bloom the 35 designated parking spaces (the "Spaces") located in that certain parking garage depicted on Schedule 1 (the "Garage");

WHEREAS, the real estate on which the Garage is located is described and/or depicted on Schedule 2 (the "Real Estate");

WHEREAS, the Spaces are located as depicted on Schedule 3; and

WHEREAS, the City and Bloom desire to execute and record this memorandum of the Agreement;

Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged hereby, the City and Bloom represent and acknowledge the following:

The term of the Agreement: (a) commenced on the date hereof; and (b) ends on December 10, 2033; provided that, if the Operating Lease is: (a) extended or renewed; or (b) replaced with a new parking lease or usage agreement that succeeds the Operating Lease, then Bloom shall have the option to extend the Term so that it ends on the same day as the Operating Lease, as extended, renewed, or replaced. "Operating Lease" shall mean that certain Register Parking Garage Operating Lease executed by and between Mercury Development Group, LLC, and the City of Bloomington Redevelopment Commission and dated December 11, 2003.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement on the date set forth above.

THE CITY OF BLOOMINGTON, INDIANA

By: Julio Alonso

Printed: Julio Alonso

Title: Director of Public Works

BLOOMHOTEL, LLC

By: Michael W. Wells

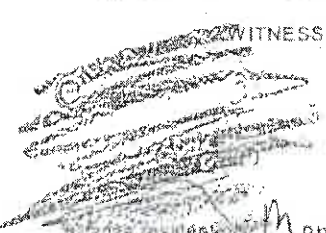
Printed: Michael W. Wells

Title: CEO of MBOR

ACKNOWLEDGMENTS

STATE OF INDIANA)
) SS:
COUNTY OF Monroe)

Before me, a Notary Public in and for the State of Indiana, personally appeared Julio Alonso, the Director of Public Works, of The City of Bloomington, Indiana, who acknowledged the execution of the foregoing Memorandum of Agreement on behalf of such entity.



WITNESS my hand and Notarial Seal this 27th day of September, 2004.

By: Vickie Renfrow
Notary Public

Printed Name: Vickie Renfrow

Monroe County, Indiana.

My Commission expires March 13, 2009

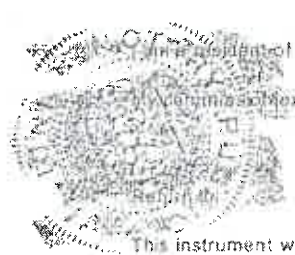
STATE OF INDIANA)
) SS:
COUNTY OF Monroe)

Before me, a Notary Public in and for the State of Indiana, personally appeared MICHAEL W. WELLS, the Member of Bloomhotel, LLC, who acknowledged the execution of the foregoing Memorandum of Agreement on behalf of such entity.

WITNESS my hand and Notarial Seal this 7th day of December, 2004.

By: Sherry M. Perkins
Notary Public

Printed Name: Sherry M. Perkins



Monroe County, Indiana.

My Commission expires 1/27/07

This instrument was prepared by Jennifer Shoup, Attorney-at-Law, Wallack Somers & Haag, One Indiana Square, Suite 1500, Indianapolis, Indiana, 46204.

SCHEDULE 1

Location of Allotted Spaces

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SCHEDULE 2

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SCHEDULE 3

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EXHIBIT F

Amendments or Modifications to the Ground Lease and the Parking Agreement

NONE